



MEMBERSHIP MEETING

MINUTES

December 1, 2011, 1:00 p.m.
Thanksgiving Point, Lehi, Utah

BOARD MEMBERS PRESENT:

Kay Blackwell, *President*, Piute County Commissioner
Jim Eardley, *Vice-President*, Washington County Commissioner
Steve Wall, *Secretary-Treasurer*, Sevier County Clerk/Auditor
Bruce Adams, San Juan County Commissioner
Gary Anderson, Utah County Commissioner
Brad Dee, Weber County Human Resources Director

Marilyn Gillette, Tooele County Clerk
Karla Johnson, Kane County Clerk/Auditor
Bret Millburn, Davis County Commissioner
Cameron Noel, Beaver County Sheriff
Kent Sundberg, Utah County Chief Deputy Attorney

BOARD MEMBERS ABSENT:

Craig Dearden, Weber County Commissioner

Jerry Hurst, Tooele County Commissioner

MEMBERS PRESENT:

Rose Barnes, Carbon County Personnel Director
Dave Blackwell, Emery County Attorney
Valeen Brown, Piute County Clerk-Auditor
Bill Cox, Rich County Commissioner
Jared Eldredge, Juab County Attorney
Larry Ellertson, Utah County Commissioner
JoAnn Evans, Duchesne County Deputy Clerk
Crystal Holt, San Juan County Human Resource Director
Lana Jensen, Utah County Personnel Director
Mike Jensen, Tooele County Auditor
John Jones, Carbon County Commissioner
James Kaiserman, Wasatch County Surveyor
Robert Kirk, Utah County Treasurer
Stacy Lafitte, Morgan County Clerk/Auditor
Linda Leith, Daggett County
Stewart Leith, Daggett County Commissioner
Lynn Lemon, Cache County Executive

Peggy Madsen, Box Elder County Personnel
Richard Maughan, Davis County Recorder
Mel Miles, Davis County Personnel Director
Robert Pero, Carbon County Clerk/Auditor
Kris Poulson, Utah County Assessor
Ilene Roth, Sanpete County Auditor
JoEll Rowley, Wasatch County Risk Manager
Mike Seely, Juab County Administrator
Debbie Smart, Tooele County Chief Deputy Clerk
Jim Smith, Cache County Human Resources Director
Daron Smith, Millard County Commissioner
Scott Sweat, Wasatch County Attorney
Ryan Torgerson, Wayne County Clerk/Auditor
Mike Wilkins, Uintah County Clerk/Auditor
Ron Winterton, Duchesne County Commissioner
Doug Witney, Utah County Commissioner
David Yardley, Iron County Clerk

OTHERS PRESENT:

Dan McConkie, Past UCIP President
Tyler Snow, Christensen & Jensen
Kristin VanOrman, Strong & Hanni

STAFF PRESENT:

Mark Brady, Loss Control Manager
Lisa Brown, Claims Specialist
Johnnie Miller, Chief Executive Officer
Korby Siggard, Claims Manager
Sonya White, Manager of Administration

Welcome & Call to Order

Gary Anderson welcomed everyone in attendance and Kay Blackwell called the Annual Membership Meeting, of the Utah Counties Insurance Pool, to order at 1:00 p.m. on December 2, 2011.

Member Roll Call

Kay Blackwell explained that pursuant to Article 4.4(c) of the Bylaws, *A majority of the members shall constitute a quorum to do business* and Article 4.5(b) *Members shall have the obligation to designate...a representative...for the members' meetings.* Therefore, roll call was taken and the following members designated as representatives: Cameron Noel; Beaver County; Peggy Madsen, Box Elder County; Lynn Lemon, Cache County; Rose Barnes, Carbon County; Stewart Leith, Daggett County; Bret Millburn, Davis County; Ron Winterton; Duchesne County; David Blackwell, Emery County; David Yardley, Iron County; Mike Seely, Juab County; Karla Johnson, Kane County; Daron Smith, Millard County; Stacy Lafitte, Morgan County; Kay Blackwell, Piute County; Bill Cox, Rich County; Bruce Adams, San Juan County; Ilene Roth, Sanpete County; Steve Wall, Sevier County; Marilyn Gillette, Tooele County; Mike Wilkins, Uintah County; Gary Anderson, Utah County; JoEll Rowley, Wasatch County; Jim Eardley, Washington County; Ryan Torgerson, Wayne County, and Brad Dee, Weber County.

Introduction of Trustees and Staff

Kay Blackwell introduced the current Trustees of the UCIP Board: Kay Blackwell, *President*, Piute County Commissioner, representing Fifth-Sixth Class Counties; Jim Eardley, *Vice President*, Washington County Commissioner, representing Washington County; Steve Wall, *Secretary-Treasurer*, Sevier County Clerk/Auditor, representing Fourth Class Counties; Bruce Adams, San Juan County Commissioner, representing Counties At-Large; Gary Anderson, Utah County Commissioner, representing Utah County; Brad Dee, Weber County Human Resources Director, appointed as the Chair of the Personnel Committee; Marilyn Gillette, Tooele County Clerk, representing Third Class Counties; Karla Johnson, Kane County Clerk/Auditor, representing Counties At-Large; Bret Millburn, Davis County Commissioner, representing Davis County; Cameron Noel, Beaver County Sheriff, appointed as the Chairman of the Law Enforcement Committee; and Kent Sundberg, Utah County Chief Deputy Attorney, appointed as the Chair of the Litigation Management Committee. Trustees absent at this meeting are: Craig Dearden, Weber County Commissioner, representing Weber County; and Jerry Hurst, Tooele County Commissioner, representing Third Class Counties. Staff of UCIP include: Johnnie Miller, Chief Executive Officer; Sonya White, Manager of Administration; Mark Brady, Loss Control Manager; Korby Siggard, Claims Manager; and Lisa Brown, Claims Specialist.

Approval of December 2010 Minutes

Kay Blackwell explained that the draft minutes, from the December 2, 2010 Membership Meeting, were previously sent to the members for review (see attachment number one). Gary Anderson made a motion to approve the December 2, 2010 Membership Meeting minutes as written. Bill Cox seconded the motion, which passed unanimously.

Approval to Execute Fifth Amended Interlocal Cooperation Agreement

Kay Blackwell explained that a strikethrough copy of the amendments to a Fifth Amended Interlocal Cooperation Agreement was previously sent to the members for review (see attachment number two). Amendments include various corrections and reference updates as well as the entity name change from Utah Counties Insurance Pool to Utah Counties Indemnity Pool. Gary Anderson made a motion to approve the Fifth Amended Interlocal Cooperation Agreement for execution by each UCIP Member. Bret Millburn seconded the motion, which passed unanimously.

Introduction of Trustee Nominations

Jim Eardley, as Chair of the Nominating Committee, serving with Gary Anderson and Kay Blackwell, explained that members nominated eligible persons for the At-Large and Third Class Counties available Trustee positions. After verifying that nominees are willing to serve, the member officials approved for representative vote are: Karla Johnson, Daron Smith and Jim Smith (At-Large) and Marilyn Gillette and Michael Wilkins (Third Class). Biographies of each nominee were provided (see attachment number three).

Speeches by Nominees

Karla Johnson, Marilynn Gillette, Daron Smith, Jim Smith and Michael Wilkins spoke to the membership in regards to their willingness to serve on the Board.

Ballot Election for 2011 Board of Trustees

Jim Eardley instructed all designated member representatives to place their vote for one At-Large nominee. Jim instructed each designated member representative of the Third Class Counties to place their vote for one nominee. The ballots were gathered by Sonya White, tallied by Lisa Brown and Korby Siggard then verified by Jim Eardley.

Treasurer's Report

Steve Wall reviewed the 2010 Independent Auditors' Report, the 2010 Actuarial Report and the tentative 2012 budget with the members (see attachment number three). A public hearing on the budget will be held on December 15 to approve the final 2012 budget.

Loss Control Manager's Report

Mark Brady reported on the success of the valuable training sessions conducted for Members this year; Facilities Management, Fair Coverage, Planning and Zoning, Risk Coordinators, Personnel and Risk Management. UCIP has a strong relationship with the Utah Sheriff's Association and the Utah Prosecution Counsel wherein UCIP provided training during their annual events. In 2012, Mark will be spending a couple of days in each county to conduct a risk management consultation, valuation and inspections. In the Risk Management section, on the new UCIP website, sample policies will be available for download. UCIP provides its Members with the Risk Awareness Program (RAP) and in development is the Risk Assessment Tool that is a monthly checklist to help guide Members in the implementation of good Risk Management techniques and practices. UCIP provides in-house training in all areas of safety and loss control. Consultation services are always available through the expertise of the UCIP staff.

Chief Executive Officer's Report

Johnnie Miller reported that the goals and objectives of the Membership in 2011 have been achieved (see attachment number four). Goals included: RAP implementation, coverage reviews, planner accreditation, increased field time, improved data systems, E-Coverage Addendum and control of expenses. The administrative expenses were reviewed in detail with the Members showing \$465,000 additional surplus. The Board approved Zions Wealth Advisors as the Investment Manager on a portion of UCIP's portfolio to maximize investment income. Johnnie explained that the Pool has kept rates stable with only a two percent increase since 1992. Increases in contributions are due to increases in member exposures. Enhancements to 2012 coverage were reviewed and Johnnie explained per occurrence and aggregate limits. The goal of the Members for this organization is to not charge more than is needed to pay claims and protect the exposures of the Members. Industry standard ratios are: Premium to Surplus should be 200% or lower (UCIP is at 120%); Retention to Surplus should be 10% or lower (UCIP is at five percent); and Reserves to Surplus should be 300% or lower (UCIP is at 140%). UCIP's Loss Ratio at 51% (ideal is 100% or lower) and UCIP's Combined Ratio is at 94% (ideal is 100% or lower). Goals of the Board for 2012 are: upgrade website, educate members, maintain stability, identify member exposure issues and excel at member service.

President's Report

Kay Blackwell recognized the past Presidents of UCIP: Tom Hatch, Gary Herbert, Dan McConkie and Lynn Lemon. Dan McConkie was in attendance and reported that the Pool is a strong and vibrant organization reaching its twentieth year. Anything worth having is worth fighting for so it is important to fight for the organization counties created. Lynn Lemon was in attendance and thanked the staff. The Pool is very fortunate to have the expertise of Johnnie Miller. Lynn also thanked the Board for its time and commitment in making the Counties Pool a great organization. It is important for Members to continue to be involved. Kay Blackwell explained that the Board is a working Board who is responsible, as well as all UCIP Members, to stay informed and educated about the purpose, mission, operations and benefits of the organization Counties created. Be leery of outside parties using tactics, many of which are violating statute, to lure Members away from the Pool. The Board and Pool staff is available to help Commissioners and Council Members make educated decisions when your organization is being challenged.

Goals for the Future

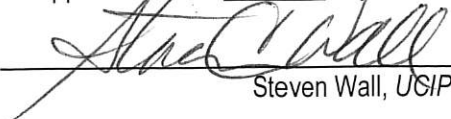
Members had the opportunity to ask questions and provide input. Lynn Lemon asked why the Utah Local Governments Trust (ULGT) claims they provide coverage for land use and the Pool doesn't. Johnnie Miller explained that the Courts have found that public officials were using insurance to intentionally violate the law and people's rights and therefore ruled that insurers in the US cannot sell insurance for land use claims. The Pool can argue that we're not an insurance company and cover the claim up to the \$250,000 retention but the Pool's reinsurer operates as an insurance company and does not cover land use. This is the situation with ULGT v. Summit County. Once the County's land use claim hit the reinsurance layer, ULGT sued the County, stopping payment of the claim because their reinsurer wouldn't pay. In the Duchesne County land use case, the Judge was about to hand down an order that the County intentionally violated people's rights when they denied a building permit. Under Federal law, anytime an ordinance is found to be discriminatory, then it is considered to be automatically intentional. Whether the governing body denied the permit on purpose or not, courts will not allow insurers to cover intentional acts. The Pool worked with Duchesne County and developed a settlement agreement before the court order. In some cases, Judges are finding that if Pools are walking and talking like insurance companies, then they are insurance companies and should be restricted like one. The Pool has changed its name to the Utah Counties Indemnity Pool because the Pool is not an insurance company. There is a big difference in the way the Pool is operating and the way ULGT is operating. Numerous cities have contacted Johnnie wanting to leave ULGT and join the Pool. The Board of Trustees has been approached many times by cities and special service districts who want to join the Pool but the Board hasn't changed its original vision; created by counties, owned by counties, governed by counties. The cities need to fix their own organization.

A question was asked about how member officials and employees can help educate new officials and others about the Pool? Johnnie Miller explained that if any Pool has a problem it looks bad for all Pools. We want the ULGT to be strong, healthy and a good pool but their current management is not being completely open, honest and transparent with their current members as well as counties they are trying to market. The fact is that ULGT is quoting counties rates substantially lower than rates they are charging their own members. Every member of the Pool is contributing the same rate. No county is subsidizing the other. The Pool is growing five to seven percent per year just because the counties are growing. New buildings are being built, the workforce is increasing and fleet size is increasing. The Pool does not need new members to grow. It is so important for member officials and employees to attend training and meetings of the Pool, to read publications (such as the Value of Ownership) and become familiar with the history and the goals of the Pool. Pool staff and Board Members speak at affiliate group meetings to continue the education process and update members on current issues. Commissioners and Council Members are encouraged to direct and protect the Pool and help educate new officials as to the purpose of their own indemnity program.

Election Results

Jim Eardley announced that he has verified the ballots and votes cast in the election for the 2012 Board of Trustees. Karla Johnson has been re-elected as a Trustee to continue to serve for another four-year term beginning January 2012, representing Members At-Large. Mike Wilkins has been elected to fill the unexpired term of the Third Class representative on the Board until December 2013.

Approved on this 6th day of December 2012


Steven Wall, UCIP Secretary-Treasurer



Public Meeting Notice Admin

- [Help](#)
- [Log Out](#)

Welcome to the Public Notice Website: Your central source for all public notice information in Utah

Notice Added Successfully [View notice](#)

Your notice has been created successfully.

Notice Title:

Membership Meeting

Government Type:

Special Districts

Entity:

Utah Counties Insurance Pool

Public Body Name:

Board of Trustees

Notice Subject:

Financial Records

Notice Type:

Meeting

Street Address:

3003 North Thanksgiving Way

Street Address continued:

City:

Lehi

Zip:

84043

Start Date:

12/01/11 1:00 PM

End Date:

12/01/11 4:30 PM

Description / Agenda:

Welcome

Member Roll Call

Introduction of Trustees and Staff

Approval of December 2010 Minutes

Approval to Execute Fifth Amended Interlocal Cooperation Agreement

Introduction of Trustee Nominations
Speeches by Nominees
Ballot Election for 2012 Board of Trustees' Positions
Treasurer's Report
Loss Control Manager's Report
Chief Executive Officer's Report
President's Report
Goals for the Future (open discussion)
Election Results

ADA:

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sonya White at the Utah Counties Insurance Pool, PO Box 760, Midvale, UT 84047, or call 800-339-4070, at least three days prior to the meeting.

Electronic Participation:

Any Member of the Utah Counties Insurance Pool Board of Trustees may participate telephonically.

Other:**Emergency Notice:**

No

Send copy of notice to:

editor@sltrib.com

Attachments:

There are no attachments associated with this notice.

[Back to main page](#)

Public Notices

Notices

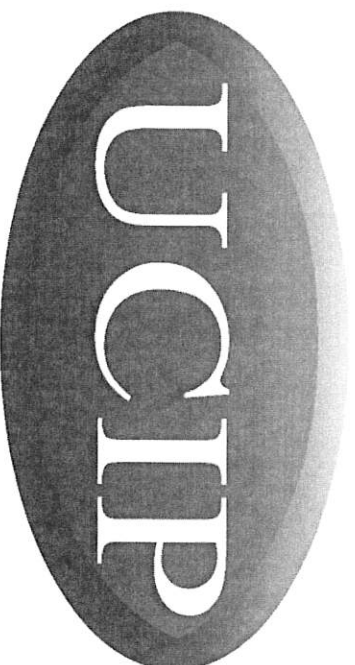
- [Dashboard](#)
- [Add](#)
- [Search](#)
- [Drafts](#)
- [Published](#)
- [Pending](#)

Owner

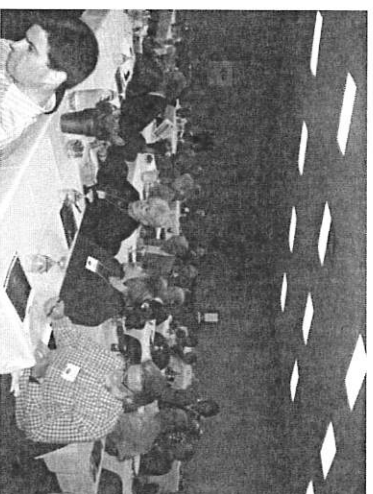
- [Add](#)
- [Search](#)
- [Pending](#)

UCIP Membership Meeting, December 1, 2011

MEMBER COUNTY	DESIGNATED REPRESENTATIVE	ALTERNATE REPRESENTATIVE
Beaver County	<input type="checkbox"/> Paul Barton	<input checked="" type="checkbox"/> Cameron Noel
Box Elder County (third)	<input checked="" type="checkbox"/> Peggy Madsen	<input type="checkbox"/> Tom Kotter
Cache County (third)	<input checked="" type="checkbox"/> Lynn Lemon	<input type="checkbox"/> James Smith
Carbon County	<input checked="" type="checkbox"/> Rose Barnes	<input type="checkbox"/> Robert Pero
Daggett County	<input type="checkbox"/> Keri Pallesen	<input checked="" type="checkbox"/> Stewart Leith
Davis County	<input type="checkbox"/> Louenda Downs	<input checked="" type="checkbox"/> Bret Milburn
Duchesne County	<input checked="" type="checkbox"/> Ron Winterton	<input type="checkbox"/> JoAnn Evans
Emery County	<input type="checkbox"/> Mary Huntington	<input checked="" type="checkbox"/> David Blackwell
Garfield County		
Iron County (third)	<input checked="" type="checkbox"/> David Yardley	<input type="checkbox"/> Alma Adams
Juab County	<input checked="" type="checkbox"/> Mike Seely	<input type="checkbox"/> Jared Eldridge
Kane County	<input checked="" type="checkbox"/> Karla Johnson	<input type="checkbox"/> Jim Matson
Millard County	<input checked="" type="checkbox"/> Daron Smith	<input type="checkbox"/> Richard Waddingham
Morgan County	<input checked="" type="checkbox"/> Stacy Lafitte	<input type="checkbox"/> Tina Kelley
Piute County	<input checked="" type="checkbox"/> Kay Blackwell	<input type="checkbox"/> Valeen Brown
Rich County	<input checked="" type="checkbox"/> William Cox	<input type="checkbox"/> Tom Weston
San Juan County	<input checked="" type="checkbox"/> Bruce Adams	<input type="checkbox"/> Crystal Holt
Sanpete County	<input checked="" type="checkbox"/> Ilene Roth	<input type="checkbox"/> Spencer Cox
Sevier County	<input checked="" type="checkbox"/> Steve Wall	<input type="checkbox"/> Gary Mason
Tooele County (third)	<input checked="" type="checkbox"/> Marilyn Gillette	<input type="checkbox"/> Deborah Smart
Uintah County (third)	<input checked="" type="checkbox"/> Mike Wilkins	<input type="checkbox"/> Joe McKea
Utah County	<input checked="" type="checkbox"/> Gary Anderson	<input type="checkbox"/> Kent Sundberg
Wasatch County	<input checked="" type="checkbox"/> JoEll Rowley	<input type="checkbox"/> Steve Capson
Washington County	<input checked="" type="checkbox"/> James Eardley	<input type="checkbox"/> Christine Hall
Wayne County	<input checked="" type="checkbox"/> Ryan Torgerson	<input type="checkbox"/> DeRae Fillmore
Weber County	<input checked="" type="checkbox"/> Bradley Dee	<input type="checkbox"/> David Wilson



Utah Counties Insurance Pool
Supporting Your Goals Since 1992



ANNUAL MEMBERSHIP MEETING

December 1, 2011

2011 Goals

- RAP Implementation
- In depth review of coverage with members
- Provide Planners with credits for Zoning Conf.
- Increased field time
- Improved Data Systems
- E Addendum
- Control Expenses



Controlled Administrative Expenses

	Approved 2010	Actual 2010	Variance
Operating Income			
Premiums	5,690,296	5,710,287	19,991
Investment Income	55,000	281,207	226,207
Miscellaneous Income	9,500	21,495	11,995
Total Income	5,754,796	6,012,989	258,193
Underwriting Expenses			
Losses and Loss Expense	3,260,000	3,073,281	(186,719)
Reinsurance Coverage	1,299,000	1,347,633	48,633
Total Underwriting Expense	4,559,000	4,420,914	(138,086)
Administration Expenses			
Board of Trustees	40,000	44,578	4,578
Depreciation	35,000	28,547	(6,453)
Loss Control	42,650	48,865	6,215
Marketing	16,000	15,597	(403)
Office Operations	220,000	181,940	(38,060)
Professional Services	77,300	88,485	11,185
Staff	745,000	698,876	(46,124)
Total Administration Expenses	1,175,950	1,106,888	(69,062)
Total Operating Expenses	5,734,950	5,527,802	(207,148)
Change in Net Assets	19,846	485,187	465,341



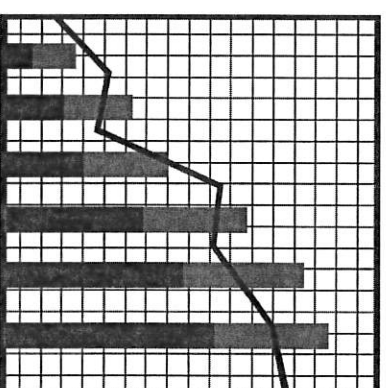
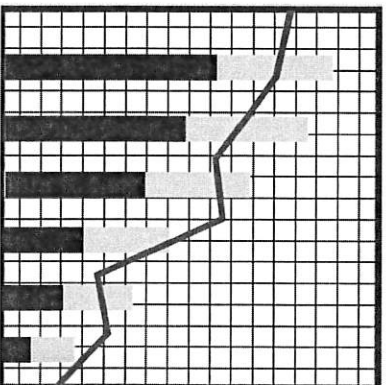
Increase Investment Income as Market Recovers



- Zions Bank as Investment Manager on portion of UCIP portfolio to maximize investment Income

Continue Stable Premium Rates

- No change in rates for 2011.
- When rate increases are necessary, they will be made gradually.



Liability Enhancements for 2012

- Liability Limits increased to \$2,500,000 with no change in rate.
- Per occurrence with no aggregate
- No issues with “umbrella” terms
- Defense outside the limit



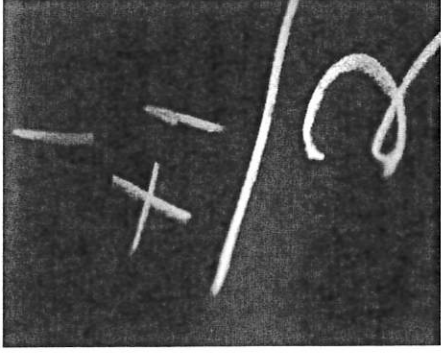
Per Occurrence & Aggregate

- \$1mm / \$2mm Policy
 - \$1mm maximum any one claim
 - \$2mm maximum any one year
- But you have a \$2mm per occurrence exposure



So you buy an Umbrella...

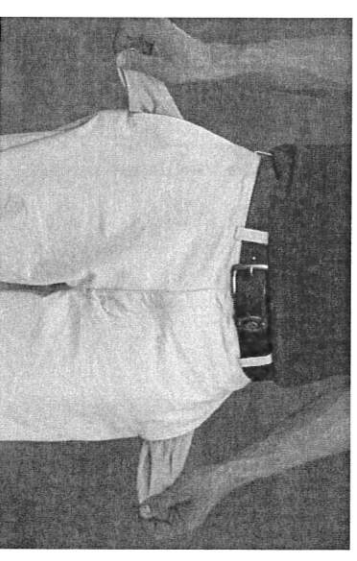
- \$1mm Umbrella to equal \$2mm per claim
- Now you have a \$2mm loss and have enough to cover it,



- But you then have another loss of \$2mm,
 - Was the umbrella limit a per loss or policy limit?

And now your primary policy is exhausted...

- So on your next claim,
 - You have to “reinstate limits” on your primary policy, if available, which is like paying an additional annual premium,
 - Or you have a large deductible to pay before accessing your umbrella policy,
 - if there are any limits left on your umbrella



And then there are defense costs

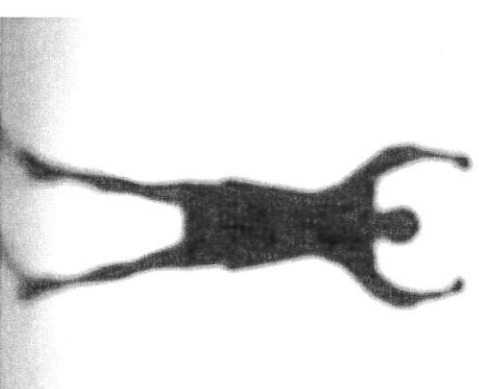
- Do defense costs count toward the limits, or are they in addition to or “outside” the limits
 - On primary policy
 - On umbrella policy



- If they are not outside the limits, you need limits much higher than your actual exposure

And that is why UCIP provides

- Per occurrence with no aggregate
- No need for umbrella policies
- Defense outside the limit



If you do purchase excess or umbrella limits above UCIP's coverage, be sure to review how the coverage will apply.

IRIS Ratios as of YE 2010

Premium to Surplus (200% or lower)	120%
Retention to Surplus Ratio (10% or lower)	5%
Reserves to Surplus Ratio (300% or lower)	140%



Utah Counties Insurance Pool
Supporting Our Goals Since 1992

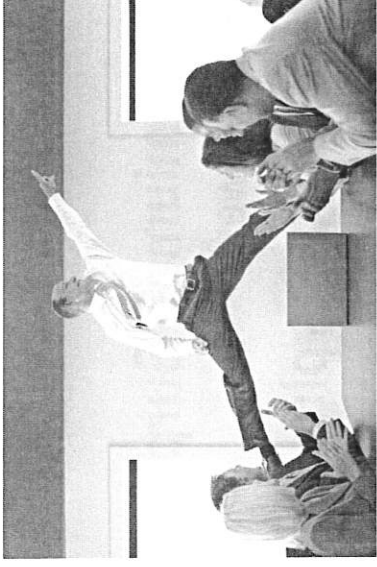
UTAH COUNTIES INSURANCE POOL

Historical Industry Financial Ratios

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Net Premium to Surplus (200% or lower)	298%	191%	203%	155%	120%
Retention to Surplus Ratio (10% or lower)	8%	12%	14%	6%	5%
Reserves to Surplus Ratio (300% or lower)	246%	272%	337%	246%	140%
Loss Ratio (100% or lower)	64%	59%	53%	49%	51%
Combined Ratio (100% or lower)	113%	111%	94%	85%	94%

2012 Goals

- Upgrade Website
- Educate members
- Maintain stability
- Identify member exposure issues
- Excel at member service



Utah Counties Insurance Pool
Supporting Your Goals Since 1992

Membership Meeting 2011

LAST	FIRST	COUNTY	TITLE	EMAIL	PHONE	LUNCH	MEETING
<input type="checkbox"/> Adams	Alma	Iron County	Commissioner	alma@ironcounty.net	435-477-3574	1	1 ?
<input checked="" type="checkbox"/> Adams	Bruce	San Juan County	Commissioner	bbadams@sanjuancounty.org	435-587-3225	1	1
<input checked="" type="checkbox"/> Anderson	Gary	Utah County	Commissioner	ucadm.garya@state.ut.us	801-851-8100	1	1
<input type="checkbox"/> Bailey	Rick	San Juan County	Administrator	rmbailey@sanjuancounty.org	435-587-3225	1	1
<input checked="" type="checkbox"/> Barnes	Rose	Carbon County	Human Resources Director	rose.barnes@carbon.utah.gov	435-636-3290	1	1
<input type="checkbox"/> Bateman	Myron	Tooele County Health Department	Director	mbateman@utah.gov	435-830-2013	1	1
<input checked="" type="checkbox"/> Blackwell	David	Emery County	Attorney	bwelld@co.emery.ut.us	435-749-9888	1	1
<input checked="" type="checkbox"/> Blackwell	Kay	Piute County	Commissioner	wkayb50@gmail.com	435-231-1950	1	1
<input checked="" type="checkbox"/> Brady	Mark	Utah Counties Insurance Pool	Loss Control Manager	mbrady@ucip.utah.gov	801-307-2122	1	1
<input checked="" type="checkbox"/> Brown	Valeen	Piute County	Clerk/Auditor	valeenb@hotmail.com	435-577-2840	1	1
<input checked="" type="checkbox"/> Brown	Lisa	Utah Counties Insurance Pool	Claims Specialist	lisa@ucip.utah.gov	801-307-2117	1	1
<input type="checkbox"/> Capson	Steve	Wasatch County	Council Member	scapson@co.wasatch.ut.us	435-657-3195	1	1 ?
<input type="checkbox"/> Colombo	Becky	Southeastern Utah District Health Department	Administrative Assistant	bcolumbo@utah.gov	435-637-3671	1	1
<input checked="" type="checkbox"/> Cox	Bill	Rich County	Commissioner	rcaging@allwest.net	435-757-8248	1	1
<input type="checkbox"/> Cox	Spencer	Sanpete County	Commissioner	scox@cut.net	435-427-0502	1	1 ?
<input checked="" type="checkbox"/> Dee	Brad	Weber County	Human Resources Director	bdee@co.weber.ut.us	801-399-8623	1	1
<input type="checkbox"/> Downs	Louenda	Davis County	Commissioner	ldowns@co.davis.ut.us	801-451-3200	1	1 ?
<input checked="" type="checkbox"/> Eardley	Jim	Washington County	Commissioner	jim.eardley@washco.utah.gov	435-634-5700	1	1
<input checked="" type="checkbox"/> Eldridge	Jared	Juab County	Attorney	jarede@co.juab.ut.us	435-623-3460	1	1
<input checked="" type="checkbox"/> Ellertson	Larry	Utah County	Commissioner	larrye@utah.gov	801-851-8133	1	1
<input checked="" type="checkbox"/> Evans	JoAnn	Duchesne County	Chief Deputy Clerk	jevans@duchesne.utah.gov	435-738-1228	1	1
<input type="checkbox"/> Fillmore	DeRae	Wayne County	Commissioner	fillmore@waynecountyutah.org	435-836-2888	1	1 ?
<input checked="" type="checkbox"/> Gillette	Marilyn	Tooele County	Clerk	mgillette@co.tooele.ut.us	435-843-3148	1	1
<input checked="" type="checkbox"/> Holt	Crystal	San Juan County	Human Resources Specialist	cholt@sanjuancounty.org	435-587-3225	1	1
<input type="checkbox"/> Huntington	Mary	Emery County	Personnel Director	huntington@co.emery.ut.us	435-381-2307	0	1
<input type="checkbox"/> Hurst	Jerry	Tooele County	Commissioner	jhurst@co.tooele.ut.us	435-843-3150	1	1
<input checked="" type="checkbox"/> Jensen	Mike	Tooele County	Auditor	mjensen@co.tooele.ut.us	435-843-3130	1	1
<input checked="" type="checkbox"/> Johnson	Karla	Kane County	Clerk/Auditor	clerkkj@kanab.net	435-644-2458	2	1
<input checked="" type="checkbox"/> Jones	John	Carbon County	Commissioner	john.jones@carbon.utah.gov	435-636-3271	1	1
<input checked="" type="checkbox"/> Kaiserman	Jim	Wasatch County	Surveyor	jkaiserman@co.wasatch.ut.us	435-657-3222	1	1
<input type="checkbox"/> Kelley	Tina	Morgan County	Council Member	tkelley@morgan-county.net	801-845-4011	1	1 ?
<input checked="" type="checkbox"/> Kirk	Robert	Utah County	Treasurer	robertk.ucadm@state.ut.us	801-851-8261	2	1
<input type="checkbox"/> Kotter	Tom	Box Elder County	Auditor	tkotter@boxeldercounty.org	435-734-3317	1	1 ?
<input checked="" type="checkbox"/> Lafitte	Stacy	Morgan County	Clerk/Auditor	slafitte@morgan-county.net	801-845-4011	1	1
<input type="checkbox"/> Lamph	Charlene	Davis County	Risk Management Specialist	clamph@co.davis.ut.us	801-451-3429	1	1
<input checked="" type="checkbox"/> Leith	Stewart	Daggett County	Commissioner	sleith@daggettcountry.org	435-784-3218	1	1
<input checked="" type="checkbox"/> Lemon	Lynn	Cache County	Executive	lynn.lemon@cachecounty.org	435-755-1851	1	1
<input checked="" type="checkbox"/> Madsen	Peggy	Box Elder County	Personnel Director	pmadsen@boxeldercounty.org	435-723-8760	1	1
<input type="checkbox"/> Manis	Pat	Millard County	Assessor	pmanis@co.millard.ut.us	435-743-5719	1	1
<input type="checkbox"/> Mason	Gary	Sevier County	Commissioner	gmason@sevier.utah.gov	435-893-0452	1	1 ?
<input type="checkbox"/> Matson	Jim	Kane County	Commissioner	jmatson@kane.utah.gov	435-644-4902	1	1 ?
<input checked="" type="checkbox"/> Maughan	Richard	Davis County	Recorder	rmaughan@co.davis.ut.us	801-451-3225	1	1
<input checked="" type="checkbox"/> McConkie	Dan		Past President		2	2	?
<input type="checkbox"/> McKee	Joe	Uintah County	Human Resources Director	jmckea@co.uintah.ut.us	435-781-5390	1	1 ?
<input checked="" type="checkbox"/> Miles	Mel	Davis County	Personnel Director	mmiles@daviscountyutah.gov	801-451-3415	1	1
<input checked="" type="checkbox"/> Millburn	Bret	Davis County	Commissioner	bret@daviscountyutah.gov	801-451-3200	1	1
<input checked="" type="checkbox"/> Miller	Johnnie	Utah Counties Insurance Pool	Chief Executive Officer	jmiller@ucip.utah.gov	801-307-2114	1	1
<input type="checkbox"/> Mitchell	Cameron	Wasatch County Health Department	Health Director	cameronm@co.wasatch.ut.us	435-657-3263	1	1
<input checked="" type="checkbox"/> Noel	Cameron	Beaver County	Sheriff	cnoel@netutah.com	435-421-1293	1	1
<input type="checkbox"/> Pallesen	Keri	Daggett County	Auditor/Recorder	kpallesen@daggettcountry.org	435-784-3210	1	1
<input checked="" type="checkbox"/> Pero	Robert	Carbon County	Clerk/Auditor	robert.pero@carbon.utah.gov	435-636-3224	1	1
<input checked="" type="checkbox"/> Poulsen	Kris	Utah County	Assessor	krisp@utah.gov	801-851-8275	1	1
<input type="checkbox"/> Randall	Tracy	Southeastern Utah District Health Department	Budget & Accounting Officer	trandall@utah.gov	435-637-3671	1	1
<input checked="" type="checkbox"/> Roth	Ilene	Sanpete County	Auditor	datapro@manti.com	435-835-2142	1	1
<input checked="" type="checkbox"/> Rowley	JoEll	Wasatch County	Risk Manager	jrowley@co.wasatch.ut.us	435-654-2909	1	1
<input checked="" type="checkbox"/> Seely	Mike	Juab County	Administrator	mikes@co.juab.ut.us	435-623-3408	1	1
<input checked="" type="checkbox"/> Siggard	Korby	Utah Counties Insurance Pool	Claims Manager	ksiggard@ucip.utah.gov	801-307-2116	1	1
<input checked="" type="checkbox"/> Smart	Debbie	Tooele County	Chief Deputy Clerk	dsmart@co.tooele.ut.us	435-843-3142	1	1 ?
<input checked="" type="checkbox"/> Smith	Jim	Cache County	Director, Human Resources	jim.smith@cachecounty.org	435-755-1472	1	1
<input checked="" type="checkbox"/> Smith	Daron	Millard County	Commissioner	dsmith@co.millard.ut.us	435-864-1409	1	1
<input checked="" type="checkbox"/> Snow	Tyler	Christensen & Jensen		tyler.snow@chrisjen.com	801-323-5000	1	1
<input type="checkbox"/> Stirba	Peter	Stirba & Associates		peter@stirba.com	801-364-8300	1	1
<input checked="" type="checkbox"/> Sundberg	Kent	Utah County	Civil Division Chief	kent@utah.gov	801-851-8001	1	1
<input checked="" type="checkbox"/> Sweat	Scott	Wasatch County	Attorney	ssweat@co.wasatch.ut.us	435-657-3270	1	1
<input checked="" type="checkbox"/> Torgerson	Ryan	Wayne County	Clerk/Auditor	ryan@wco.state.ut.us	435-836-1300	1	1
<input type="checkbox"/> Tuttle	Brenda	Emery County	Clerk/Auditor	brenda@co.emery.ut.us	435-381-5106	0	1
<input checked="" type="checkbox"/> VanOrman	Kristin	Strong & Hanni		kvanorman@strongandhanni.com	801-532-7080	1	1
<input type="checkbox"/> Waddingham	Richard	Millard County	Attorney	rwaddingham@frontierlaw.com	435-864-2748	1	1 ?
<input checked="" type="checkbox"/> Wall	Steven	Sevier County	Clerk/Auditor	scwall@sevier.utah.gov	435-979-6543	1	1
<input type="checkbox"/> Weston	Tom	Rich County	Commissioner	twest@cut.net	435-946-2935	1	1 ?
<input type="checkbox"/> Wheeler	LeighAnn	Sevier County	Human Resources Director	lawheeler@sevier.utah.gov	435-893-0459	1	1
<input checked="" type="checkbox"/> White	Sonya	Utah Counties Insurance Pool	Manager of Administration	sonya@ucip.utah.gov	801-307-2113	1	1
<input checked="" type="checkbox"/> Wilkins	Mike	Uintah County	Clerk/Auditor	mwilkins@co.uintah.ut.us	435-781-5362	1	1
<input type="checkbox"/> Wilson	Dave	Weber County	Chief Deputy Attorney	dwilson@co.weber.ut.us	801-399-8548	1	1 ?
<input checked="" type="checkbox"/> Winterton	Ron	Duchesne County	Commissioner	rwinterton@duchesne.utah.gov	435-738-1130	1	1
<input checked="" type="checkbox"/> Witney	Doug	Utah County	Commissioner	dougw.ucadm@state.ut.us	801-851-8136	1	1
<input checked="" type="checkbox"/> Yardley	David	Iron County	Clerk	david@ironcounty.net	435-477-8341	1	1

St

Chadere
McConkie

Jensen, Lana Utah
Leigh, Linda Daggett

UTAH COUNTIES INSURANCE POOL



MEMBERSHIP MEETING

December 1, 2011

11:30-4:30

Thanksgiving Point

3003 North Thanksgiving Way, Lehi

AGENDA

11:30 am

Holiday Lunch

Rose Room, Restaurant Building

1:00 pm

Meeting

Amber Room, Dinosaur Museum

Welcome

Member Roll Call

Introduction of Trustees and Staff

Approval of December 2010 Minutes

Approval to Execute Fifth Amended Interlocal Cooperation Agreement

Introduction of Trustee Nominations

Speeches by Nominees

Ballot Election for 2012 Board of Trustees' Positions

Treasurer's Report

Loss Control Manager's Report

Chief Executive Officer's Report

President's Report

Goals for the Future (open discussion)

Election Results

DRAFT



Utah Counties Insurance Pool
Serving Counties Since 1992

MEMBERSHIP MEETING

MINUTES

December 2, 2010 1:00 p.m.
Thanksgiving Point, Lehi, Utah

BOARD MEMBERS PRESENT:

Kay Blackwell, <i>President</i> , Piute County Commissioner	LaMar Guymon, Emery County Sheriff
Ken Bischoff, <i>Vice-President</i> , Weber County Commissioner	Gerald Hess, Davis County Chief Deputy Attorney
Steve Wall, <i>Secretary-Treasurer</i> , Sevier County Clerk/Auditor	Jerry Hurst, Tooele County Commissioner
Bruce Adams, San Juan County Commissioner	Karla Johnson, Kane County Clerk/Auditor
Brad Dee, Weber County Human Resources Director	Wayne Smith, Iron County Commissioner
Jim Eardley, Washington County Commissioner	

BOARD MEMBERS ABSENT:

Kent Sundberg, Utah County Chief Deputy Attorney	Steve White, Utah County Commissioner
--	---------------------------------------

MEMBERS PRESENT:

LuAnn Adams, Box Elder County Commissioner Elect	Stacy Lafitte, Morgan County Clerk/Auditor
Rose Barnes, Carbon County Personnel Director	Charlene Lamph, Davis County Risk Management
Paul Barton, Beaver County Clerk/Auditor	Stewart Leith, Daggett County Commissioner
Brock Belnap, Washington County Attorney	Lynn Lemon, Cache County Executive
Kenneth Bench, Sanpete County Assessor	Peggy Madsen, Box Elder County Personnel
Dave Blackwell, Emery County Attorney	Bret Milburn, Davis County Commissioner
Valeen Brown, Piute County Clerk/Auditor	Mel Miles, Davis County Personnel Director
Darlene Burns, Uintah County Commissioner	Alden Orme, Juab County Sheriff
Bill Cox, Rich County Commissioner	Robert Pero, Carbon County Clerk/Auditor
Dean Cox, Washington County Administrator	John Petroff, Davis County Commissioner
Maloy Dodds, Garfield County Commissioner	Laurie Pitchforth, Emery County Commissioner
Val Draper, Wasatch County Council Member	Ilene Roth, Sanpete County Auditor
Cyndi Eldredge, San Juan County Personnel Director	JoEll Rowley, Wasatch County Risk Manager
JoAnn Evans, Duchesne County Deputy Clerk	Debbie Smart, Tooele County Chief Deputy Clerk
Derae Fillmore, Wayne County Commissioner	Ryan Torgerson, Wayne County Clerk/Auditor
Marilyn Gillette, Tooele County Clerk	LeighAnn Wheeler, Sevier County HR Director
Daniel Hulet, Kane County Commissioner	Mike Wilkins, Uintah County Clerk/Auditor
Mary Huntington, Emery County Personnel Director	Ron Winterton, Duchesne County Commissioner
Lana Jensen, Utah County Personnel Director	David Yardley, Iron County Clerk
Mike Jensen, Tooele County Auditor	Jan Zogmaister, Weber County Commissioner
James Kaiserman, Wasatch County Surveyor	

OTHERS PRESENT:

Bart Kunz, Christensen and Jensen
Dione Latreille, Mylar Law
Kathleen Luizzi, Dunn and Dunn

STAFF PRESENT:

Mark Brady, Loss Control Manager
Lisa Brown, Claims Specialist
Shaney Kelleher, Member Services Specialist
Johnnie Miller, Chief Executive Officer
Korby Siggard, Claims Manager
Sonya White, Manager of Administration

Welcome & Call to Order

Kay Blackwell welcomed everyone in attendance and called the Annual Membership Meeting, of the Utah Counties Insurance Pool, to order at 1:00 p.m. on December 2, 2010. Kay thanked all the sponsors of this event.

Member Roll Call

Kay Blackwell explained that pursuant to the Bylaws Article 4.6(c), *A majority of the members shall constitute a quorum to do business* and Article 4.7(b), *Members shall have the obligation to...designate...a representative...for the Membership Meetings*. Therefore, roll call was taken and the following members designated as representatives: Paul Barton; Beaver County; Peggy Madsen, Box Elder County; Lynn Lemon, Cache County; Rose Barnes, Carbon County; Stewart Leith, Daggett County; John Petroff, Davis County; JoAnn Evans; Duchesne County; Mary Huntington, Emery County; Maloy Dodds, Garfield County; David Yardley, Iron County; Karla Johnson, Kane County; Stacy Lafitte, Morgan County; Kay Blackwell, Piute County; Bill Cox, Rich County; Cyndi Eldredge, San Juan County; Ilene Roth, Sanpete County; Steve Wall, Sevier County; Marilyn Gillette, Tooele County; Mike Wilkins, Uintah County; Lana Jensen, Utah County; JoEll Rowley, Wasatch County; Jim Eardley, Washington County; Ryan Torgerson, Wayne County, and Ken Bischoff, Weber County.

Introduction of Trustees and Staff

Kay Blackwell introduced the current Trustees of the UCIP Board: Kay Blackwell, *President*, Piute County Commissioner, representing Fifth-Sixth Class Counties; Ken Bischoff, *Vice President*, Weber County Commissioner, representing Weber County; Steve Wall, *Secretary-Treasurer*, Sevier County Clerk/Auditor, representing Fourth Class Counties; Bruce Adams, San Juan County Commissioner, representing Counties At-Large; Brad Dee, Weber County Human Resources Director, appointed as the Chair of the Personnel Committee; Jim Eardley, Washington County Commissioner, representing Washington County; LaMar Guymon, Emery County Sheriff, appointed as the Chair of the Law Enforcement Committee; Gerald Hess, Davis County Chief Deputy Attorney, representing Davis County; Jerry Hurst, Tooele County Commissioner, representing Third Class Counties; Karla Johnson, Kane County Clerk/Auditor, representing Counties At-Large; and Wayne Smith, Iron County Commissioner, representing Third Class Counties. Trustees absent at this meeting are: Kent Sundberg, Utah County Chief Deputy Attorney, appointed as the Chair of the Litigation Management Committee; and Steve White, Utah County Commissioner, representing Utah County. Staff of UCIP include: Johnnie Miller, Chief Executive Officer; Mark Brady, Loss Control Manager; Sonya White, Manager of Administration; Korby Siggard, Claims Manager; Shaney Kelleher, Member Services Specialist; and Lisa Brown, Claims Specialist.

Approval of December 2009 Minutes

Kay Blackwell explained that the minutes, from the December 3, 2009 Membership Meeting, were previously sent to the members for review (see attachment number one). Lynn Lemon made a motion to approve the December 3, 2009 Membership Meeting minutes with the following correction: Page 2, **Introduction of Trustees and Staff**, *Kay Blackwell, President, Piute County* ~~Executive~~ *Commissioner* and *Ken Bischoff, Vice President, Weber County Commissioner, representing Second-Class Counties* ~~Weber County~~. Dave Yardley seconded the motion, which passed unanimously.

Structure of the Board

Kay Blackwell explained that five new officials/employees will fill seats on the 2011 Board of Trustees due to loss of election or retirement (see attachment number two). Three of the vacant seats will be appointed by the Member County (Davis, Utah and Weber). Two of the vacant seats will be appointed by the Board (unexpired term of the Third Class Representative and the Chair of the Law Enforcement Committee). Two seats on the Board are currently up for election (Fourth Class Representative and Fifth-Sixth Class Representative). There is a possibility, depending on the outcome of the election, that seven new officials/employees will make up the 13 Member Board of Trustees in 2011.

Introduction of Trustee Nominations

Jim Eardley, Chair of the Nominating Committee, serving with Karla Johnson and Wayne Smith, explained that members nominated eligible persons for the Fourth Class Counties and Fifty-Sixth Class Counties available Trustee positions. After verifying that nominees are willing to serve, the member officials approved for representative vote are: Cyndi Eldredge, Steve Wall and Mike Wilkins (Fourth Class) and Kay Blackwell, Bill Cox and Ryan Torgerson (Fifth-Sixth Class). Biographies of each nominee were provided (see attachment number three).

Speeches by Nominees

Each nominee spoke to the membership in regards to their willingness to serve on the Board.

Ballot Election for 2011 Board of Trustees

Jim Eardley instructed each designated member representative of the Fourth Class Counties to place their vote for one nominee. Jim instructed each designated member representative of the Fifth-Sixth Class Counties to place their vote for one nominee. The ballots were gathered by Sonya White, tallied by Shaney Kelleher and verified by Jim Eardley.

Treasurer's Report

Steve Wall reviewed the 2009 Independent Auditors' Report, the 2009 Actuarial Report and the tentative 2011 budget with the members (see attachment number four). A public hearing on the budget will be held on December 16 to approve the final 2011 budget.

Chief Executive Officer's Report

Johnnie Miller provided the members with the outlined plan of the Pool: 1) Reduce Administrative Expenses (expenses for the Pool have been reduced by 25% from 2007 to 2010); 2) Increase Investment Income as the Market Recovers; 3) Continue Stable Premium Rates (actuarial analysis confirmed a rate reduction in 2010 was sustainable); 4) Charge Equitable Premiums (member's contributions are based on the same rate per exposure); and 5) Control Losses with Training. The 2009 and 2010 goals of the Pool have been achieved: governance documents have been updated, workers compensation program profitability has been achieved, liabilities have been cleared off the balance sheet, and member building appraisals have been completed. Operations conducted in 2010 include the restructure and implementation of the workers compensation program, Medicare reporting procedures implemented, the resolution of many old claims, enhanced reinsurance coverage negotiated and risk reviews conducted with each member. Johnnie explained a change in the Bylaws to include Classes of Membership, Voting/Non-Voting and Equity/Non-Equity. Johnnie provided the members with the Historical Industry Financial Ratios using Insurance Regulatory Information Systems (see attachment number four). Ratios of the Pool, as of the third-quarter financial statements, are: 80% Net Premium to Surplus (IRIS 200% or lower); six percent Retention to Surplus (IRIS 10% or lower); and 197% Reserves to Surplus (IRIS 300% or lower). The Pools goal is be at 100% Net Premium to Surplus ratio. Johnnie reviewed the enhancements to the property and liability coverage and the 2011 goals that include: Risk Awareness Program implementation, coverage review with members, credits for conferences, increased field time, improved data systems, electronic coverage addendum and continued control of expenses.

President's Report

Kay Blackwell had all the officials and employees stand who have been with the Pool since its inception in 1992. Those involved in the creation of the Pool remember the issues facing counties with coverage and costs. The counties created their own entity that has met the specialized needs of counties and exceeded all expectations. Founding officials are asked to help educate new officials about their company, the Pool. The Pool is not looking to expand beyond counties and county controlled entities; although state and city entities periodically approach the Pool. The Pool is owned and controlled by member counties. The Board has staffed the Pool with experienced experts that take their direction from the Board of Trustees, which is made up of county elected and appointed officials, elected to the Board by the Members.

Member Loss Control Recognition

Mark Brady presented a Distinguished Achievement Award to Millard, Tooele, Utah, Wasatch and Washington Counties for their continued dedication in the practice of loss control. A pilot program is being conducted in Tooele County on the new Risk Awareness Program. Marilyn Gillette, Tooele County Clerk, provided the members with a report on how the program is working so far in Tooele County.

Outgoing Trustee Recognition

Kay Blackwell presented a plaque to Ken Bischoff, Weber County Commissioner, in honor of his seven years of service on the Board of Trustees, of which two years were in service as the Vice-President. Kay presented a plaque to Gerald Hess, Davis County Davis County Chief Deputy Attorney, in honor of his three years of service on the Board of Trustees. Kay presented a plaque to LaMar Guymon, Emery County Sheriff, in honor of his two years of service on the Board of Trustees. Kay presented a plaque to Wayne Smith, Iron County Commissioner, in

honor of his three years of service on the Board of Trustees. Steve White, Utah County Commissioner, was also recognized for his four years of service on the Board of Trustees; his plaque will be delivered.

Election Results

Jim Eardley announced that he has verified the ballots and votes cast in the election for the 2011 Board of Trustees. Steve Wall has been re-elected as a Trustee to continue to serve for another four-year term beginning January 2011, representing Fourth Class Counties. Kay Blackwell has been re-elected as a Trustee to continue to serve for another four-year term beginning January 2011, representing Fifth-Sixth Class Counties.

FOURTH FIFTH AMENDED INTERLOCAL COOPERATION AGREEMENT

THIS IS THE FOURTH FIFTH AMENDED INTERLOCAL COOPERATION AGREEMENT, made and entered into by and between members of the Utah Counties ~~Insurance~~ Indemnity Pool, a political subdivision of the State of Utah, each of which hereby agrees to abide by the terms and conditions of this Fifth Amended Agreement and all actions taken pursuant hereto.

WITNESSETH:

WHEREAS, pursuant to the provisions of the Interlocal Cooperation Act, Utah Code Ann. §11-13-101 et. seq., 1953 as amended, the Governmental Immunity Act, § 63-30-1 et. seq., 1953 as amended, and the Utah Insurance Code, Utah Code Ann. § 31A-1-103, 1953 as amended, public agencies, including political subdivisions of the State of Utah as therein defined, are authorized to enter into written agreements with one another for joint or cooperative action to establish a public agency insurance mutual; and

WHEREAS, the governing bodies of counties located in the State of Utah, by entering into an Interlocal Cooperation Agreement, formed the Utah Association of Counties Insurance Mutual, which began operations on or about January 1, 1992, as a public agency insurance mutual; and

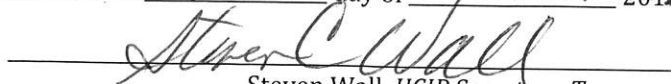
WHEREAS, the governing bodies of the Members of the Utah Association of Counties Insurance Mutual, on or about August, 21, 2003, amended the original Interlocal Cooperation Agreement, making various corrections and updating references, by approving and adopting the first Amended Interlocal Agreement; and

WHEREAS, the governing bodies of the Members of the Utah Association of Counties Insurance Mutual amended the first Amended Interlocal Cooperation Agreement, on or about June 2, 2006, changing the name of the Utah Association of Counties Insurance Mutual to the Utah Counties Insurance Pool, by approving and adopting the second Amended Interlocal Agreement; and

WHEREAS, the governing bodies of the Members of the Utah Counties Insurance Pool amended the second Amended Interlocal Cooperation Agreement, on or about January 22, 2008, making various corrections and updating references, by approving and adopting the Third Amended Interlocal Agreement; and

WHEREAS, the governing bodies of the Members of the Utah Counties Insurance Pool ~~now desire to~~ amended the Third Amended Interlocal Cooperation Agreement, on or about December 3, 2010, making various corrections and updating references, by approving and adopting this the Fourth Amended Interlocal Cooperation Agreement; and

WHEREAS, the Members of the Utah Counties Insurance Pool approved the amendments to the Fourth Amended Interlocal Cooperation Agreement, on or about December 1, 2011, changing the name of the Utah Counties Insurance Pool to the Utah Counties Indemnity Pool; and

Approved on this 6th / 12th day of December 2011

Steven Wall, UCIP Secretary-Treasurer

WHEREAS, the governing bodies of the Members of the Utah Counties Insurance Pool now desire to amend the Fourth Amended Interlocal Cooperation Agreement to implement the name change by approving and adopting this Fifth Amended Interlocal Cooperation Agreement;

NOW, THEREFORE, the parties do mutually agree as follows:

Section 1. EFFECTIVE DATE; DURATION.

This ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement shall become effective and shall enter into force, within the meaning of the Interlocal Cooperation Act, upon the submission of this ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement to, and the approval and execution hereof by resolution of the governing bodies of each of the parties. The term of this ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement shall be fifty (50) years, pursuant to Utah Code Ann. §11-13-204, 1953 as amended, unless renewed as permitted by law, or until earlier dissolved as provided herein.

Section 2. CREATION OF A SEPARATE LEGAL ENTITY.

The parties to this agreement through their respective governing bodies and pursuant to the provisions of Utah Code Ann. §11-13-203, 1953 as amended, hereby create a legal entity to be known as the Utah Counties ~~Insurance~~ Indemnity Pool to provide the services described herein.

Section 3. PURPOSES.

This ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement has been established and entered into between the members of the Utah Counties ~~Insurance~~ Indemnity Pool (herein referred to as the Pool) for the following purposes:

1. To comply with the Utah Interlocal Cooperation Act and other applicable laws of the State of Utah; and
2. To ratify the previous formation of a group-funded Pool to fund through joint self-insurance, reinsurance, excess insurance, or other lawful manner, certain liabilities of member Utah counties, as permitted by the Utah Insurance Code and determined by the Board, with the powers set forth in the Amended Bylaws of the Pool (herein referred to as the Amended Bylaws); and
3. To provide, through the Pool, certain claims and risk management services related to the liabilities so funded, and assist members in reducing and preventing such liabilities; and
4. To provide other services and functions as permitted by law.

Section 4. MEMBERS.

1. Membership in the Pool is limited to Utah counties and such other

governmental entities allowed under its Amended Bylaws.

2. Members shall have such powers and authorities as provided herein and as set forth in the Amended Bylaws. Such powers shall include, but not be limited to:
 - a) Voluntarily dissolve the Pool, but only at a meeting at which a majority of all Members, whether present at the meeting or not, vote in favor of the dissolution.
 - b) Appoint or select members of the Pool Board of Trustees, in accordance with this Agreement, the Amended Bylaws and the Interlocal Cooperation Act.

Section 5. BOARD OF TRUSTEES.

The Pool shall be governed by a Board of Trustees. The Trustees shall have such powers and authorities as provided herein and as set forth in the Amended Bylaws.

1. The Board shall be comprised of thirteen persons in the following manner:
 - a) One Trustee, appointed by the governing body of Davis County, representing Davis County;
 - b) One Trustee, appointed by the governing body of Utah County, representing Utah County;
 - c) One Trustee, appointed by the governing body of Washington County, representing Washington County;
 - d) One Trustee, appointed by the governing body of Weber County, representing Weber County;
 - e) Two Trustees, elected by Member counties of the third class, representing counties of the third class;
 - f) One Trustee, elected by Member counties of the fourth class, representing counties of the fourth class;
 - g) One Trustee, elected by Member counties of the fifth and sixth class, representing counties of the fifth and sixth class;
 - h) Two Trustees, elected by all Member counties, representing all counties at large;
 - i) One Trustee, appointed by the Board, shall be a sheriff of a Member county, who serves as the Chair of the Law Enforcement Committee;
 - j) One Trustee, appointed by the Board, shall be the Chair of the Litigation

Management Committee and;

- k) One Trustee, appointed by the Board, shall be the Chair of the Personnel Committee.
 - i. Trustees serving pursuant to subsections (e)-(h) shall be designated as "Elected Trustees" and serve four-year overlapping terms.
 - ii. Trustees serving pursuant to subsections (a)-(d) shall serve at the pleasure of the governing bodies of the Member.
 - iii. Trustees serving pursuant to subsections (i)-(k) shall serve for four-year terms and may be reappointed to subsequent terms by the Board.
 - iv. A Trustee serving pursuant to subsection (i) shall serve a four-year term ending on December 31 in even numbered years between presidential elections.
 - v. Trustees serving pursuant to subsections (j) and (k) shall serve four-year terms ending on December 31 of presidential election years.
- 2. No person convicted of a felony may serve as a Trustee.
- 3. Each Trustee shall be an elected or appointed officer or an employee of a Member.
- 4. Election of Trustees shall take place at the annual Membership Meeting. Elected Trustees shall assume office at the first Board meeting of the calendar year following their election.
- 5. The Board of Trustees shall elect a Nominating Committee from its members. The Nominating Committee shall solicit nominations for available elected Trustee positions in accordance with the Amended Bylaws.
- 6. A vacancy shall occur on the Board when a Trustee:
 - a) Submits a written resignation to the Board; or
 - b) Dies; or
 - c) Is no longer an elected or appointed officer or employee of a Member; or
 - d) Fails to attend three consecutive regular meetings of the Board without the Board having excused such absences except that such additional absence or absences shall be excused for temporary mental or physical

disability or illness; or

- e) Is removed by the Members by a two-thirds vote of the Members present at a Membership Meeting; or
 - f) Is convicted of a felony; or
 - g) The Member of which the Trustee is an official or employee terminates their membership in the Pool.
- 7. Any vacancy in the position of an Elected Trustee may be filled by majority vote of the remaining Trustees until the next annual meeting of the Members, at which time the Members shall elect a person to fill the vacancy for the unexpired term.
 - 8. Any vacancy in the position of an appointed Trustee under Article 5.1(a)-(d) shall be filled by appointment from the respective county and the Trustee shall serve for the remainder of the unexpired term. If the county is no longer a Member, the Trustee position shall revert to an at large position, adding to the number of such positions under Section 5.1(h), and be filled by a majority vote of the remaining Trustees until the next annual meeting of the Members, at which time the Members shall elect a person to fill the vacancy.
 - 9. Any vacancy in the position of an appointed Trustee under Article 5.1(i)-(k) shall be filled by majority vote of the remaining Trustees and shall fill the unexpired term of the Trustee.
 - 10. To the extent permitted by law, Trustees may be reimbursed for expenses incurred in the performance of their duties, as authorized by the Board.
 - 11. Each Trustee must be a resident of the State of Utah.
 - 12. The powers of the Board shall include, but not be limited to, the powers to:
 - a) Delegate, by resolution adopted at a meeting of the Trustees and specifically defined in the written minutes of the Trustees' meetings, authority for specific functions to the Chief Executive Officer, but only to the extent permitted by the laws of the State of Utah and the Amended Bylaws.
 - b) Establish Member contributions, including premiums and service fees, pursuant to guidelines adopted by the Board from time to time.
 - c) Serve as the policyholder of any group policies or plans.
 - d) Determine the methods of claim administration and payment; provide for claim experience for the Members collectively or separately; and establish claim procedures and conditions to be met prior to the payment or defense of a claim.

- e) Jointly self-insure or obtain reinsurance or excess insurance (specific or aggregate), or any combination thereof, or otherwise provide for the funding of coverages and adopt and adjust coverages provided by or through the Pool, as the Board deems appropriate.
- f) Establish employment policies for the employees of the Pool including but not limited to policies, salaries and benefits.
- g) Provide for the administration of the moneys of the Pool, for the manner of payments to the Pool, and for payment of all expenses of the Pool; establish standards for the accountability of all receipts and disbursements of the Pool; and establish procedures for safekeeping, handling, and investing such monies received or paid.
- h) Acquire, lease, hold, and dispose of real and personal property.
- i) Exercise the full power and authority of any Member of the Pool when requested to do so by the Member's governing body.
- j) Provide for necessary activities, and enter into contracts as necessary or appropriate to accomplish the purposes of the Pool.
- k) Do any act permitted by law and not in conflict with the Fifth Amended Interlocal Cooperation Agreement or the Amended Bylaws of the Pool.
- l) Provide for an independent audit of the financial statements and operations of the Pool, including claim handling procedures, handling of receipts and payments, investments, adequacy of reserves, compliance with financial reporting requirements and overall operations of the Pool, at such times as the Board may determine.
- m) Establish loss reduction, prevention and risk management policies, procedures, and requirements for Members of the Pool and provide risk management services and educational and other programs related to risk management.
- n) Create various Committees of the membership to assist in the oversight and operation of the Pool. The members of such Committees, including the chair, shall be appointed by the Board.
- o) Approve a list of attorneys or law firms authorized to represent Members in claims covered by or through the Pool.
- p) Obtain the services of agents, attorneys, brokers, consultants, employees, and service providers as necessary or appropriate for the operation of the Pool.
- q) Terminate a Member from the Pool as provided for in the Amended

Bylaws.

- r) Create levels of membership within the Pool to provide for appropriate representation and control. Levels of membership may include, but are not limited to, voting and non-voting members and equity and non-equity members.
- s) Amend the Bylaws by a two-thirds vote of all Board members.
- t) Exercise all powers of the Pool except those powers reserved to the Members, and all powers necessary and proper for the operation of the Pool and implementation of the Pool, subject to the limits of the Agreement, the Amended Bylaws, and the Utah Code. The Board is responsible for all operations of the Pool.

Section 6. OFFICERS.

The Board of Trustees shall elect officers and establish the duties of officers of the Pool in accordance with Utah law and the Amended Bylaws.

Section 7. COMMITTEES.

The Board of Trustees may establish from time to time such committees of the Board as shall be deemed appropriate by said Board.

Section 8. MANNER OF FINANCING.

1. The Utah Counties ~~Insurance~~ Indemnity Pool shall be funded by contributions in the form of premiums or service fees, from the Members:
 - a) The amount of such contributions including any interest penalty thereon shall be established by the Board of Trustees.
 - b) Premiums established by the Board may be audited and additional premium charged based on the rate used to establish the original premium.
 - c) The Board may not charge assessments to the Members.
2. All monies of the Pool, and earnings thereon, shall be held in the name of and for the use and benefit of the Pool.
3. The Board of Trustees shall prepare an annual budget consistent with Utah Code Ann. 17A-1-408 et. seq., as amended.

Section 9. PROPERTY USED IN COOPERATIVE UNDERTAKING.

1. Any real or personal property acquired, held, and used pursuant to this cooperative undertaking shall be administered and controlled by the Board of

Trustees established in Section 5 hereof. Any disposition of said real or personal property shall also be administered and controlled by said Board of Trustees, pursuant to the terms of this Agreement.

2. The provisions of this Agreement and the assets of the Pool are for the benefit of the Members of the Pool only, and no other persons or entities shall have any rights or interest in this Agreement or in any of the other documents referred to herein or in any such assets, as a third party beneficiary or otherwise. The assets of the Pool shall not be subject to attachment, garnishment, or any equitable proceeding.
3. In the event of a voluntary dissolution of the Pool, as provided in Section 4 hereof, the property of the Pool not used or needed for the purposes of the Pool, including its contractual obligations, shall be distributed, as determined by the Board, only to Utah counties which are Members of the Pool at the time of dissolution. Such dissolution shall be handled as provided in Section 12.

Section 10. ADDITION OF OTHER MEMBERS.

Other governmental entities may become parties to this Fifth Amended Interlocal Cooperation Agreement, subject to the approval of the Board of Trustees, by executing an Addendum to this Agreement.

1. In order for a governmental entity to be added to this Agreement by Addendum, the Addendum must be:
 - a) Approved by the governing body of the governmental entity to be added; and
 - b) Reviewed as to form and compliance with applicable law by the attorney for the governmental entity to be added.
2. Prior to becoming effective, this Fifth Amended Interlocal Cooperation Agreement and the Addendum shall be filed with the person who keeps the records of the public agency being added to this Agreement.

Section 11. WITHDRAWAL AND TERMINATION.

1. Any Member may withdraw their participation in a line of coverage of the Pool, but only at the end of a Pool fiscal year after giving the Board timely written notice of such withdrawal, pursuant to a resolution of the Member's governing body. Timely written notice of such withdrawal must be provided to the Board no later than 120 days prior to the Member's intended date of withdrawal. The Board shall consider a timely written notice of withdrawal to be a final decision unless the notice is rescinded by the Member no later than 90 days prior to the Member's intended date of withdrawal. The Board may, by a three-fourths vote and at its sole discretion, agree to permit an earlier date of withdrawal. A Member withdrawn from a line of coverage shall lose any voting rights inured as a result of participation in that line of coverage and any

claim of title or interest to any asset of the Pool resulting from that line of business upon the effective date of that withdrawal with the exception of the right to payment of claims which occurred prior to withdrawal, or in the case of "claims made" coverage, the payment of claims made within the claims made reporting period adopted by the Board and in effect at the time of withdrawal.

2. Any member may terminate its membership in the Pool, but only at the end of a Pool fiscal year, after giving the Board timely written notice of such termination, pursuant to a resolution of the Member's governing body. Timely written notice of such termination must be provided to the Board no later than 120 days prior to the Member's intended date of termination. The Board shall consider a timely written notice of termination to be a final decision unless the notice is rescinded by the Member at least 90 days prior to the Member's intended date of termination. A terminating Member shall lose all voting rights and any claim of title or interest to any asset of the Pool upon the effective date of termination with the exception of the right to payment of claims which occurred prior to termination, or in the case of "claims made" coverage, the payment of claims made within the claims made reporting period adopted by the Board and in effect at the time of termination.

Section 12. DISSOLUTION AND DISPOSITION OF PROPERTY.

The Pool may be dissolved by a majority of the entire Membership voting in favor of dissolution at a Membership Meeting. In the event of voluntary dissolution of the Pool, the assets of the Pool not used or needed for the purposes of the Pool, including its contractual obligations shall be distributed, as determined by the Board, only to Utah counties, which are Members of the Pool at the time of dissolution. The Members of the Pool at the time the vote is held to dissolve the Pool shall continue to be considered Members of the Pool until the final disposition of property and dissolution of the Pool is complete.

Upon partial or complete dissolution of the Pool by the Members, the Trustees shall determine all other matters relating to the disposition of property and dissolution of the Pool by a two-thirds vote of all Trustees.

Each member's interest in the property of the Pool shall be calculated as follows:

1. The sum of the contributions for all fund years for which the Member was a participant in the Pool divided by all contributions received by the Pool during its life, is the ratio used to calculate interest in Pool property other than equity, which is defined for these purposes as cash or cash equivalent assets of the Pool.
2. For equity calculation, the ratio of each Member's contributions to the total contributions shall be computed for each fund year. The Member's contribution ratio shall then be multiplied by the total surplus, less any borrowed surplus, attributable to a fund year as stated in the most recent monthly financial statement. A Member's total equity will be the sum of the yearly amounts for each fund year for which that Member was a participating Member in the Pool.

3. In the event that the surplus amount is a negative number, a Member's equity will be decreased using the same method of calculation as above.
4. In the event of a termination of membership, the terminated Member shall lose and have no claim to any Pool property or assets. The property interest and equity formerly attributed to that Member for each fund year shall be allocated to the remaining counties that were Members during that year.

The Board shall serve as trustees for the disposition of property or funds, payment of obligations, dissolution and winding up of the affairs of the Pool. Any vacancy on the Board after dissolution has begun shall be filled in accordance with the Bylaws.

Section 13. INDEMNIFICATION.

It is the intent of the Pool to provide the broadest possible immunity from personal liability to each trustee, officer, and employee of the Pool allowed by applicable laws of the State of Utah including, but not limited to, the Utah Governmental Immunity Act, the Utah Non-Profit Corporation and Co-operative Association Act and the Utah Insurance Code, as amended from time to time. The Pool shall defend and indemnify the trustees, officers and employees of the Pool against any and all expense, including attorney fees and liability expenses, sustained by them or any of them in connection with any suit or suits which may be brought against them involving or pertaining to any of their acts or duties to the fullest extent allowed by the laws of the State of Utah.

The Pool shall purchase liability or other appropriate insurance providing coverage for the trustees, officers and employees of the Pool. Nothing herein shall be deemed to prevent compromises of any litigation where the compromise is deemed advisable in order to prevent greater expense or cost in the defense or prosecution of such litigation.

Neither this ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement nor any action of the governing body of a county in adopting this ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement is intended to nor do they waive, nor shall they be construed as waiving, any immunity or limitation on liability provided to the Members or their officers or employees by any law, including but not limited to any such immunity or limitation appearing in the Utah Governmental Immunity Act, and amendments thereto.

Section 14. FILING OF INTERLOCAL COOPERATION AGREEMENT.

Executed copies of this ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement shall be placed on file in the office of the County Clerk of each of the Members to this ~~Fourth~~ Fifth Amended Interlocal Agreement, and shall remain on file for public inspection during the term of this ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement.

Section 15. JOINT AND SEVERAL LIABILITY.

Except as provided herein, and to the extent of the financial contributions to the Pool agreed to herein or such additional obligations as may come about through amendments to

this agreement or the Bylaws, no Member agrees or contracts herein to be held responsible for any claims made against any other Member. The contracting parties intend in the creation of the Pool to establish an organization to operate only within the scope herein set out and have not herein created as between Member and Member any relationship of partnership, surety, indemnification, or responsibility for the debts of or claims against any other Member.

Section 16. AMENDMENTS.

This ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement may not be amended, changed, modified or altered except by an instrument in writing which shall be (a) approved by resolution of the governing body of each of the parties, (b) executed by a duly authorized official of each of the parties, (c) submitted to and reviewed by an authorized Attorney of each of the parties, as required by Utah Code Ann. §11-13-202.5(3), 1953 as amended, and (d) filed in the official records of each party.

Section 17. SEVERABILITY.

If any term or provision of the ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement or the application thereof shall to any extent be invalid or unenforceable, the remainder of this ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement, or the application of such term or provision to circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and shall be enforced to the extent permitted by law. To the extent permitted by applicable law, the parties hereby waive any provision of law, which would render any of the terms of this ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement unenforceable.

Section 18. GOVERNING LAW.

All questions with respect to the construction of this ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement, and the rights and liability of the parties hereto, shall be governed by the laws of the State of Utah.

Section 19. EXECUTION BY COUNTERPART.

This ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement may be executed in counterparts. The original of each executed ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement shall be filed with the Pool.

IN WITNESS WHEREOF, the parties have signed and executed this ~~Fourth~~ Fifth Amended Interlocal Cooperation Agreement, after resolutions duly and lawfully passed, on the dates listed below:

Dated this _____ day of _____, 20____.

«COUNTY» «FORM»

By: _____
«CHAIR»,
«FORM» Chair, «COUNTY»

ATTEST:

By: _____
«CLERK», «COUNTY»

REVIEWED AND FOUND TO BE IN PROPER FORM AND COMPLIANCE WITH
APPLICABLE LAW.

By: _____
«ATTORNEY», Attorney, «COUNTY»

ELECTION

Board of Trustees 2012

NOMINEES – AT-LARGE



Karla Johnson

Karla was elected as Clerk/Auditor of Kane County in 1991. Karla has either been Chair of or on the County's Insurance Committee since the inception of the Utah Counties Insurance Pool in 1992. Kane County has been self-insured, partially insured, fully insured and now has an HRA account along with being self-insured. Her interest in the insurance business has been geared toward self-insurance, which is what UCIP is all about. Karla has been the Kane County Insurance Coordinator and Loss Prevention person for UCIP for 19 years. Karla brings experience and concern to help the Member Counties maintain stability and

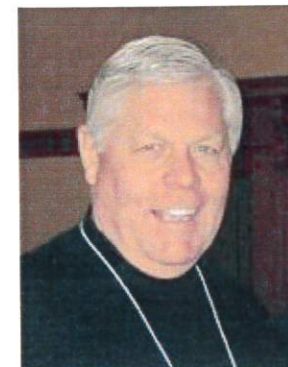
strength with their coverage needs in any economy. Karla has served as the At-Large Representative on the UCIP Board of Trustees for six years and would like the Members to keep her on the Board. Karla also serves her community as the Secretary for the Canyon Lands CID. She has been the PTA President of all three Kanab schools and President of the Chamber of Commerce for three terms as well as working on many community boards and committees. Karla was born and raised on a dairy farm in Midway, Wasatch County. After High School she attended BYU and then UVSC where she met and married Que Johnson. They moved to Kanab in 1981 to enable Que to manage the family cattle ranch. They have three sons and three granddaughters with twins on the way. One son is still looking for miss right.



Daron P. Smith

After graduating from Utah State University with a BS Degree in Marketing, Daron returned to Delta where he resides with his wife, Stephanie and their six boys. Last year Daron was re-elected to a third term and has now served as a Millard County Commissioner for nine years. During this time, he has had the opportunity to serve in a number of organizations. Daron has served as President of UAC, Board Member of NACo's Ag and Rural Affairs Steering Committee, Board Member of NACo's Western Interlocal Regional Committee, Authority Board Member for Central Utah Counseling Center and Board Member of the Joint Highway Committee, just to name a few. Daron knows

UCIP is a very important organization and if elected as your At-Large Representative, Daron will continue to commit his time and ability to help maintain and promote the Utah Counties Insurance Pool. Daron appreciates your vote and support in serving on the UCIP Board of Trustees.



James D. Smith

Jim currently functions as the Human Resource Director and Risk Management Director for the County of Cache. He became affiliated with county government thirteen (13) years ago following 23 years in the aerospace and long-term care industries. A Logan native and a true Aggie, he did his bachelors and masters work at Utah State University in Psychology and Instructional Technology. For the past 13 years, he has served on the Personnel Committee for the Utah Counties Insurance Pool (UCIP), directed the Risk Management Program for Cache County, and functioned as the County's Insurance Coordinator. He has served as Chair of the Cache Valley

United Way Board and the Neighborhood Non-Profit Housing Corporation. He currently sits as a Board Member of the Cache Valley Tourism Council, the Cache County Children's Justice Center, and on the Business Advisory Board for the Bridgerland Applied Technology College. Jim and his wife Suzanne have five children and 14 grandchildren.

ELECTION

Board of Trustees 2012

NOMINEES – THIRD CLASS COUNTIES



Marilyn K. Gillette

Marilyn has served in the Tooele County Clerk's Office for 21 years; the last five years as the Clerk. Marilyn currently serves in the following leadership positions: State of Utah Clerk's Legislative Committee Member, Utah State Elections Voter Outreach Committee, Utah State Elections Vista Steering Committee, National Association of Clerks, Records and Election Officials (NACRC) Director, NACRC Elections Committee, Certification Committee, National Association of Counties (NACO) Finance Committee, States Insurance Marketing Committee Member, and the Utah Counties Insurance Pool Board of Trustees. Marilyn is heavily involved in the community in the following capacities: Tooele City Fireman's Auxiliary (30 years), Tooele County Kiwanis Club (Past President, 2006), Tooele County Chamber of Commerce (Board of Directors, 2007- 2010, and the Utah Association of Counties Clerk/Auditor Association (1995 to present). Marilyn is married to David Gillette for 36 years, has four children and eight grandchildren ...hoping for more!



Michael Wilkins

Michael is a lifelong resident of Uintah County and went to work for Uintah County Auditor, Amy Pope, in June of 1987. In January 1990 the County Clerk and County Auditor positions were combined and Pat McNeill was elected as Uintah County Clerk/Auditor. Michael worked as Chief Deputy Clerk/Auditor for 12 years. Upon Pat's retirement in December 2002, Michael filed for Uintah County Clerk/Auditor and was successful in his election. Michael is in his third term as Uintah County Clerk/Auditor. Michael currently serves on the Centrally Assessed Litigation Committee for the Utah Association of Counties. He has been elected by his peers from the Clerk/Auditors Association to serve on the Board of Directors for the Utah Association of Counties 2007-2011 (released of that commitment November 2011). He was elected by his peers to serve in the leadership of the Clerk/Auditors Association and served as Vice President 2006-2007 then President 2007-2008. He was elected by his peers as the County Auditor of the year in 2007. He was elected by his peers as the County Auditor of the year again in 2008 and Clerk of the year in 2008. Michael married Brenda Cook in September 1983 and has four children, two daughters and two sons. Both daughters are married. One lives in Rock Springs, WY. The other daughter lives in Vernal with three children. One of Michael's sons is serving a two year mission in New York, New York and his youngest son is waiting for his mission call. Michael is an active member of his Church.

Utah Counties Insurance Pool

FINANCIALS STATEMENTS AND INDEPENDENT AUDITORS' REPORT

Year Ending December 31, 2010 and 2009



LARSON & ROSENBERGER LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Utah Counties Insurance Pool

We have audited the accompanying basic financial statements of **Utah Counties Insurance Pool** as of December 31, 2010 and 2009, and for the years then ended, listed in the foregoing table of contents. These basic financial statements are the responsibility of the Pool's management. Our responsibility is to express an opinion on these basic financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatements. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of **Utah Counties Insurance Pool** as of December 31, 2010 and 2009, and the results of its operations and its cash flow for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis is not a required part of the basic financial statements of the Pool, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying financial information as listed under the heading of Required Supplementary Information in the accompany table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Pool, but is supplementary information required by the Governmental Accounting Standards Board.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 12, 2011, on our consideration of the Pool's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, and contracts. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.

Larson & Rosenberger

Salt Lake City, Utah
April 12, 2011

UTAH COUNTIES INSURANCE POOL

Statements of Net Assets
December 31, 2010 and 2009

	2010	2009
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 9,076,334	\$ 12,714,398
Accounts receivable	1,517,631	143,260
Reinsurance recoverable	145,492	700,871
Prepaid expenses	219,632	217,004
Total current assets	10,959,089	13,775,533
Investments	587,263	367,844
Capital assets, net of accumulated depreciation of \$183,060 and \$173,292 respectively	600,897	596,840
Security deposit	11,336	11,336
Total assets	\$ 12,158,585	\$ 14,751,553
LIABILITIES AND NET ASSETS		
Current liabilities:		
Reserves for losses and loss adjustment expenses	\$ 6,636,401	\$ 10,462,475
Accounts payable	28,012	7,242
Payroll liabilities	1,450	1,551
Compensated absences payable	28,767	30,487
Contributions paid in advance	719,028	-
Total current liabilities	7,413,658	10,501,755
Total liabilities	7,413,658	10,501,755
Net assets:		
Invested in capital assets	600,897	596,840
Unrestricted	4,144,030	3,652,958
Total net assets	4,744,927	4,249,798
Total liabilities and net assets	\$ 12,158,585	\$ 14,751,553

The accompanying notes to financial statements are an integral part of these statements.

UTAH COUNTIES INSURANCE POOL
Statements of Revenues, Expenses, and Changes in Net Assets
December 31, 2010 and 2009

	2010	2009
Operating income:		
Contributions	\$ 5,690,293	\$ 7,908,425
Contributions audit	19,993	70,625
Investment income	281,207	290,050
Miscellaneous income	18,159	12,042
Total operating income	6,009,652	8,281,142
Underwriting expenses:		
Losses and loss adjustment expenses	3,073,281	4,305,748
Reinsurance coverage	1,347,633	1,330,501
Total underwriting expenses	4,420,914	5,636,249
Administration expenses:		
Board of trustees	44,578	40,804
Depreciation	28,547	44,231
Loss control	48,865	18,292
Marketing	15,597	12,775
Office operations	181,941	196,271
Professional services	88,485	96,450
Self insurer's taxes	(9,943)	(9,092)
Staff expenses	698,875	738,146
Total administration expenses	1,096,945	1,137,877
Total operating expenses	5,517,859	6,774,126
Net operating income	491,793	1,507,016
Other income:		
Realized gain on investments	3,336	1,488
Change in net assets	495,129	1,508,504
Net assets, beginning of year	4,249,798	2,741,294
Net assets, end of year	\$ 4,744,927	\$ 4,249,798

The accompanying notes to financial statements are an integral part of these statements.

UTAH COUNTIES INSURANCE POOL
Statements of Cash Flows
For the Years Ended December 31, 2010 and 2009

	2010	2009
Cash flows from operating activities:		
Contributions collected	\$ 5,054,944	\$ 6,811,402
Other fees collected	18,159	12,042
Reinsurance paid	(1,350,262)	(1,330,501)
Losses and loss adjustment expenses paid	(2,114,460)	(4,146,708)
Losses and loss adjustment expenses transferred	(4,229,516)	-
Administrative expenses paid	(1,049,449)	(3,160,123)
Net cash used by operating activities	(3,670,584)	(1,813,888)
Cash flows from investing activities:		
Purchases of investments	(5,736)	-
Proceeds from sale of investments	-	34,000
Investment income	61,788	163,316
Net cash provided by investing activities	56,052	197,316
Cash flows from capital and related financing activities:		
Building security deposit	-	3,428
Proceeds from sale of land	-	19,250
Reclassification of land escrow account	-	75,426
Purchases of capital assets	(32,332)	(84,581)
Proceeds from sales of capital assets	8,800	-
Net cash provided (used) by capital and related financing activities	(23,532)	13,523
Net decrease in cash and cash equivalents	(3,638,064)	(1,603,049)
Cash and cash equivalents at beginning of period	12,714,398	14,317,447
Cash and cash equivalents at end of period	\$ 9,076,334	\$ 12,714,398

The accompanying notes to financial statements are an integral part of these statements.



LARSON & ROSENBERGER LLP
CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards**

The Board of Trustees
Utah Counties Insurance Pool

We have audited the financial statements of **Utah Counties Insurance Pool** as of and for the year ended December 31, 2010, and have issued our report thereon dated April 12, 2011.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether **Utah Counties Insurance Pool** financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements **Utah Counties Insurance Pool** as of and for the year ended December 31, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered **Utah Counties Insurance Pool's** internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the **Utah Counties Insurance Pool's** internal control. Accordingly, we do not express an opinion on the effectiveness of the **Utah Counties Insurance Pool's** internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**Reconciliation of change in net assets to net
cash used in operating activities:**

Change in net assets

**Adjustments to reconcile net income to
net cash provided by operating activities:**

Depreciation

Interest received on investments

Increase in equity in CRL

Realized gain on sale of investments

Gain on disposal of equipment

Changes in assets and liabilities:

Increase in accounts receivable

Decrease in accrued investment income

Increase in prepaid expenses

(Increase) decrease in reinsurance recoverable

Decrease in security deposit

Increase (decrease) in reserves for

loss and loss adjustment expenses

Increase (decrease) in accounts payable

Increase (decrease) in payroll liabilities

Decrease in compensated absences

Increase (decrease) in contributions paid in advance

Total adjustments

Net cash used by operating activities

	2010	2009
	\$ 495,129	\$ 1,508,505
Depreciation	28,547	44,205
Interest received on investments	(61,788)	(163,316)
Increase in equity in CRL	(219,419)	(129,328)
Realized gain on sale of investments	-	(1,488)
Gain on disposal of equipment	(3,336)	-
Increase in accounts receivable	(1,374,371)	(231)
Decrease in accrued investment income	-	2,594
Increase in prepaid expenses	(2,628)	(217,004)
(Increase) decrease in reinsurance recoverable	555,379	(443,225)
Decrease in security deposit	-	3,428
Increase (decrease) in reserves for loss and loss adjustment expenses	(3,826,074)	602,265
Increase (decrease) in accounts payable	20,770	(1,850,095)
Increase (decrease) in payroll liabilities	(101)	789
Decrease in compensated absences	(1,720)	(3,570)
Increase (decrease) in contributions paid in advance	719,028	(1,167,417)
Total adjustments	(4,165,713)	(3,322,393)
Net cash used by operating activities	\$ (3,670,584)	\$ (1,813,888)

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

We noted certain matters involving internal control and its operation which we have reported to the management of the **Utah Counties Insurance Pool** in a separate letter dated April 12, 2011.

This report is intended solely for the information and use of the board of trustees and management of **Utah Counties Insurance Pool** and the State Auditor's Office and is not intended to be and should not be used by anyone other than these specified parties.

Laurin & Rosenberger

Salt Lake City, Utah
April 12, 2011

UTAH COUNTIES INSURANCE POOL (UCIP)

Multiline Program

ACTUARIAL REPORT
*Estimated Required Reserves
as of 12/31/10*

UTAH COUNTIES INSURANCE POOL

ACTUARIAL REPORT

PURPOSE

By the Numbers Actuarial Consulting, Inc. (BYNAC) prepared this actuarial report to present a professional analysis of the required reserves retained by the Utah Counties Insurance Pool (UCIP) as of 12/31/10 for property and liability claims incurred from 1/1/92 through 12/31/10. UCIP is a non-profit public agency insurance mutual. In addition to property and liability insurance, the pool provided workers compensation insurance from 1/1/04 through 12/31/09 which is not evaluated in this report. The required reserves are estimated excluding and including the effects of anticipated investment income earned on the reserves until they are paid.

The required reserves estimated in this report represent the unpaid claim estimate. The unpaid claim estimate is an estimate of the obligation for future payment from claims due to past events. The estimated required reserves are based on estimates of ultimate incurred losses. Ultimate incurred losses are defined to be the amounts that will be paid to settle all claims occurring during a policy period. These estimates include a provision for the subsequent development of known claims and for claims incurred but not yet reported. Incurred but not reported (IBNR) losses are defined throughout this report to include the additional development on known claims in addition to claims incurred but not yet reported.

The estimated required reserves at the expected level represent the actuarial central estimate. The actuarial central estimate is an expected value over the range of reasonably possible

outcomes. The range around the actuarial central estimate which reflects the low and high expected values is noted in the report.

FINDINGS

The findings are the product of loss experience, actuarial assumptions, quantitative analysis, and professional judgment. The estimated required reserves are expressed in terms of ranges that indicate the reliance on assumptions believed to be reasonable and are subject to all the limitations expressed herein.

ESTIMATED REQUIRED RESERVES

The required reserves shown in the following tables should be used for financial statement reporting as of that date. However, until all the claims that occurred on or before 12/31/10 are closed, the actual reserve need remains an estimate. While the experience of UCIP indicates that the required reserves will fall within the range established in this report, the possibility exists that extraordinary or unexpected circumstances could cause the actual reserve need to be less than or greater than the range. Therefore, the findings cannot be warranted or guaranteed.

ESTIMATED LOSS AND ALAE RESERVES INCLUDING
IBNR FOR 1/1/92-12/31/10 AS OF 12/31/10
(Limited to Specific and Aggregate Retentions)

	Line of Business	Low	Expected	High
Undiscounted for Investment Income	GL	\$4,850,000	\$5,340,000	\$6,320,000
	AL	460,000	580,000	730,000
	Property	340,000	400,000	510,000
	Total	\$5,650,000	\$6,320,000	\$7,560,000
Discounted at 0.5% per Annum	GL	\$4,790,000	\$5,280,000	\$6,240,000
	AL	460,000	580,000	720,000
	Property	340,000	390,000	510,000
	Total	\$5,590,000	\$6,250,000	\$7,470,000

The low and high figures are judgmental and not intended to establish absolute minimums or maximums on the estimates, but rather to depict a reasonable range for the establishment of loss reserves in this particular situation. Figure 1 contains a graphical representation of UCIP's estimated retained loss experience as of 12/31/10 including the undiscounted expected reserves.

As noted, the reserves are estimated on both undiscounted and discounted for investment income bases. UCIP has provided the discount rate of 0.5%. Establishing loss reserves on a discounted basis requires that future investment income earned on the loss reserves be added to the reserves to strengthen them rather than recognized as net income. It also assumes that assets equal to the present value of the reserves are available for investment as of the 12/31/10 evaluation date. The accuracy of discounted reserves depends upon the accuracy of the undiscounted estimates, the estimated payout schedule, and the interest rate assumption used to discount the loss payout schedule. If the discounted estimate is used, the management of UCIP should carefully review each of these assumptions to assure that they are in agreement with them.

COMPARISON TO PRIOR REPORT

The ultimate incurred losses estimated in this report are compared to the 4/21/10 actuarial report in the following table and Figure 2. As shown the estimates decreased \$330,053 or 1.0% from 12/31/09 to 12/31/10. The 1/1-12/31/03 period decreased due to the closing of a large auto claim at \$200,000 less than the reserved amount. The 1/1-12/31/06 period increased due to increases in large general liability claims. The 1/1-12/31/07 period decreased due to less than expected development in general liability losses for that period. The late emergence of a large property claim led to an increase in the 1/1-12/31/08 losses.

**COMPARISON OF ESTIMATED ULTIMATE
INCURRED LOSSES TO PRIOR ACTUARIAL REPORT
ALL COVERAGES**
(Limited to Specific and Aggregate Retentions)
(Net of Recoveries)

Policy Period	Current Analysis (Table 31 Section B)	4/21/10 Report (Table 31 Section B)	Change	Percent Change
1/1-12/31/92	\$ 850,000 @	\$ 850,000 @	\$ 0	0.0%
1/1-12/31/93	1,100,000 @	1,100,000 @	0	0.0%
1/1-12/31/94	1,350,000 @	1,350,000 @	0	0.0%
1/1-12/31/95	885,773	903,375	0	0.0%
1/1-12/31/96	899,711	899,711	(17,602)	(1.9%)
1/1-12/31/97	1,166,937	1,166,937	0	0.0%
1/1-12/31/98	1,389,358	1,397,260	0	0.0%
1/1-12/31/99	1,530,000 @	1,530,000 @	(7,902)	(0.6%)
1/1-12/31/00	1,067,854	1,067,854	0	0.0%
1/1-12/31/01	1,715,000 @	1,715,000 @	0	0.0%
1/1-12/31/02	1,850,000 @	1,850,000 @	0	0.0%
1/1-12/31/03	2,466,221	2,692,914	0	0.0%
1/1-12/31/04	2,656,761	2,565,580	(226,693)	(8.4%)
1/1-12/31/05	2,736,966	2,755,505	91,181	3.6%
1/1-12/31/06	2,695,543	2,553,291	(18,539)	(0.7%)
1/1-12/31/07	2,750,652	2,977,965	142,252	5.6%
1/1-12/31/08	2,704,342	2,631,266	(227,313)	(7.6%)
1/1-12/31/09	2,748,095	2,886,608	73,076	2.8%
Total	\$32,563,213	\$32,893,266	(138,513)	(4.8%)
			(\$ 330,053)	(1.0%)

@ Limited to the aggregate retention.

Figure 1

UTAH COUNTIES INSURANCE POOL

ALL COVERAGES

ESTIMATED RETAINED LOSSES AS OF 12/31/10

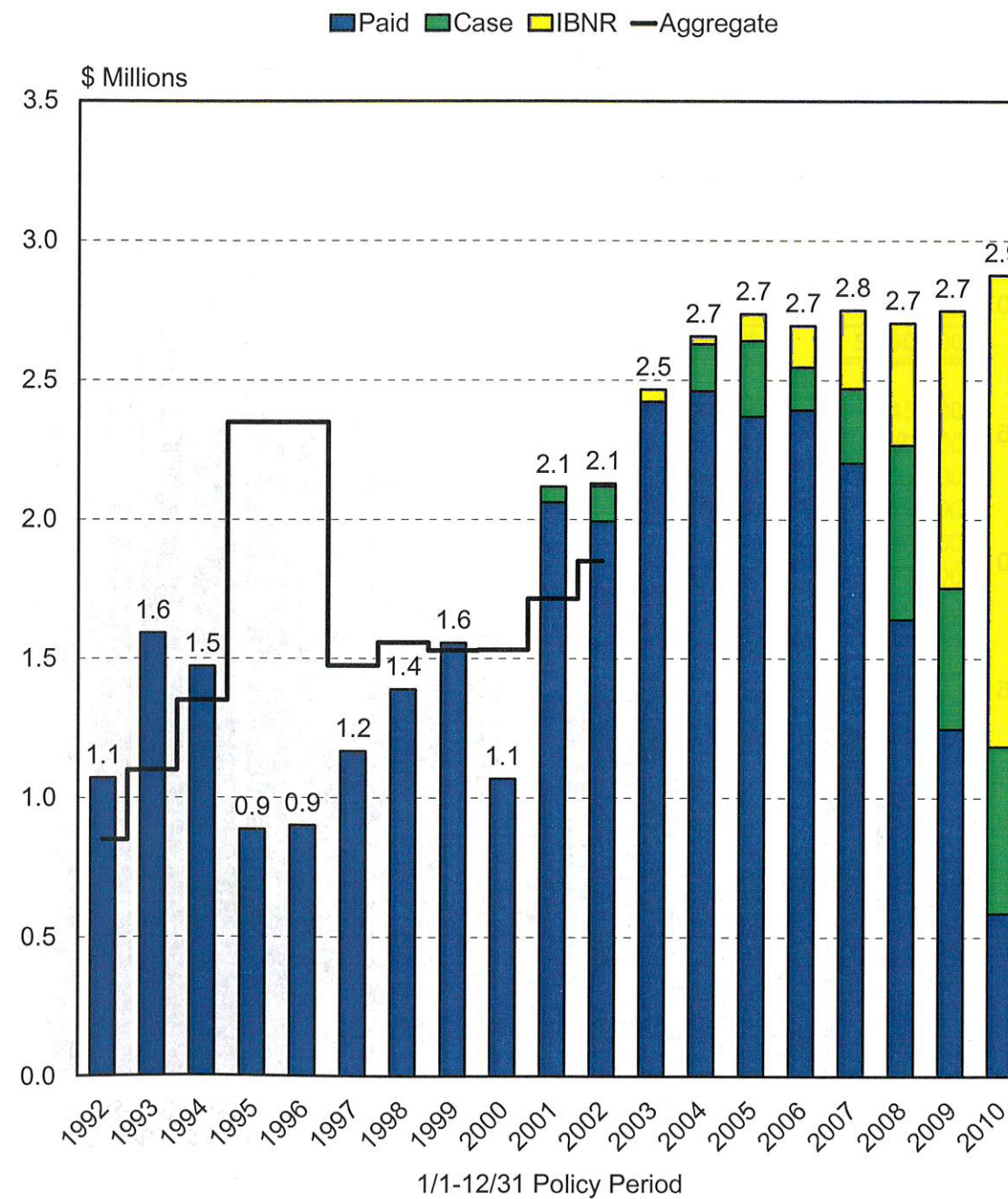
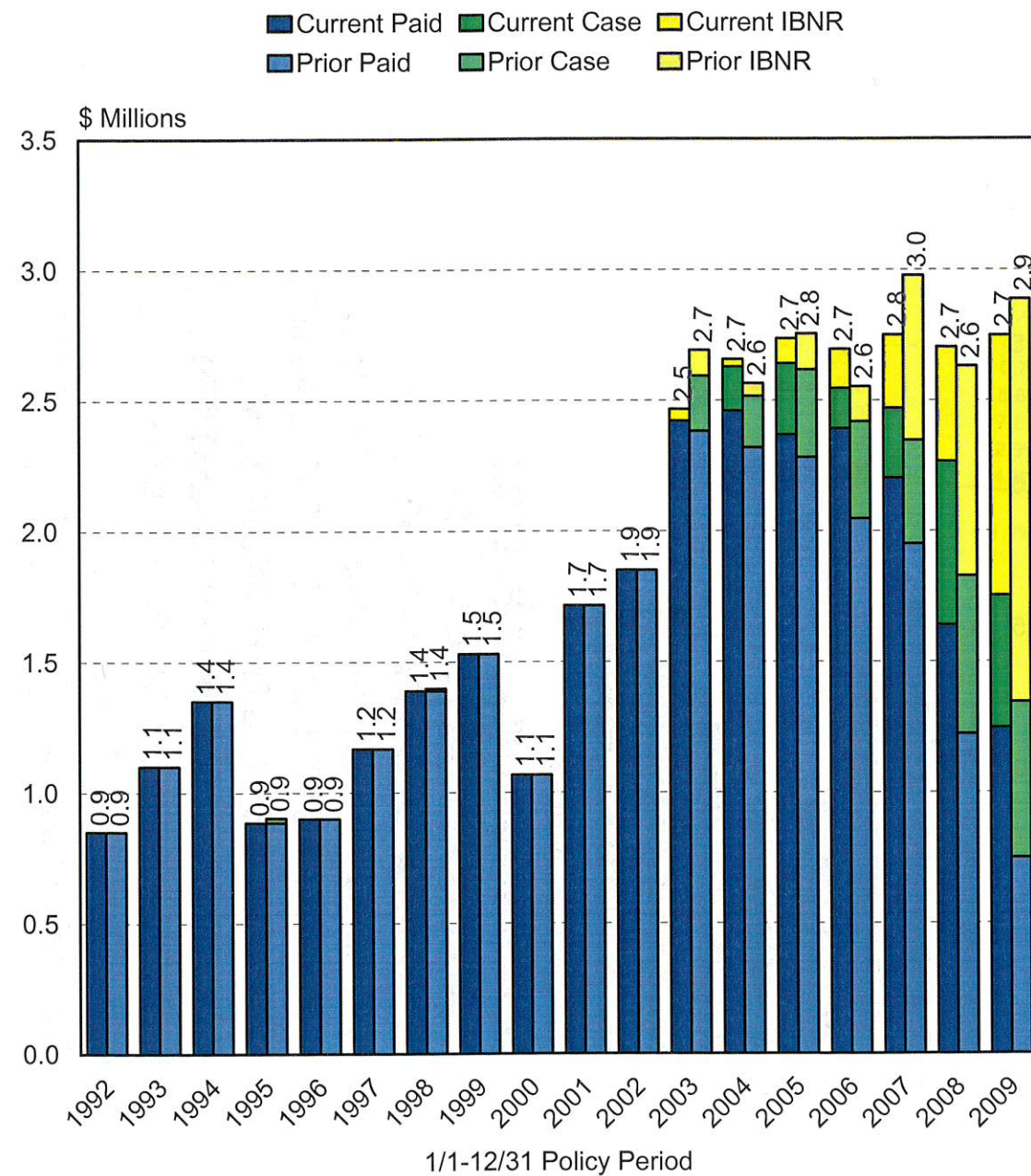


Figure 2

UTAH COUNTIES INSURANCE POOL

ALL COVERAGES

COMPARISON OF ESTIMATED ULTIMATE INCURRED LOSSES TO PRIOR REPORT
(Limited to Specific and Aggregate Retentions)UTAH COUNTIES INSURANCE POOL
Budget

	Approved 2011	Tentative 2012
Revenue		
Premiums and other Considerations	6,190,000	6,393,702
Investment Income	55,000	65,000
Program Management Fees	3,000	3,000
Conferences	6,500	6,500
Total Income	6,254,500	6,468,202
Underwriting Expense		
Losses and Loss Adjustment Expenses	3,000,000	3,000,000
Losses Incurred	570,000	590,000
Reinsurance Expense	1,311,990	1,600,000
Total Underwriting Expenses	4,881,990	5,190,000
Administrative Expense		
Board of Trustees	40,000	45,000
Depreciation	35,000	30,000
Loss Control	42,650	43,000
Marketing	16,000	16,000
Office Operations	220,000	220,000
Professional Services	77,300	77,000
Staff	757,090	780,000
Total Administrative Expenses	1,188,040	1,211,000
Total Operating Expense	6,070,030	6,401,000
Change in Net Assets	184,470	67,202



UTAH COUNTIES
INDEMNITY POOL

est. 1992

MENU



ABOUT US

COORDINATOR
TOOLS

PROGRAMS

RISK
MANAGEMENT

MEETINGS

TRAINING

LINKS

PO Box 95730
South Jordan, UT
84095-0730
801-565-8500



WELCOME

Established in 1992, the Utah Counties Indemnity Pool was created by Counties, is owned by Counties and governed by Counties. Pool is a practical extension of local government's obligation to be a good steward of public funds.

What's New?

POOL NAME CHANGE

The Board of Trustees recommends that the Members approve the new name of its entity to the Utah Counties Indemnity Pool by executing the Fifth Amended Interlocal Cooperation Agreement.

[READ MORE »](#)

GROUP HOME HOTLINE

UCIP is finalizing the set-up of a new hotline for qualified personnel to receive advise from an attorney recognized as a group homes expert; the first two hours of counsel are paid for by UCIP.

[READ MORE »](#)

For more on What's New read the [POOL POST](#)
UCIP's Quarterly Newsletter

FACILITIES MANAGEMENT CONFERENCE

March 21-22, 2012

UCIP Training Room
South Jordan

[READ MORE »](#)



CALENDAR



HOTLINES



LIBRARY



MEMBERSHIP MEETING 2011



SPONSORS

Christensen & Jensen, Break Sponsor

Christensen & Jensen is a recognized leader in litigating and resolving legal disputes. Located in downtown Salt Lake City, the firm represents clients—both plaintiffs and defendants—in a variety of civil practice areas and in many settings, including negotiation, mediation, arbitration, trial and appeal. Attorneys at the firm have received prestigious honors from numerous organizations, including: The Best Lawyers in America, the American Board of Trial Advocates, the American College of Trial Lawyers, the International Academy of Trial Lawyers, Super Lawyers, the American Bar Association, the Utah State Bar, the International Association of Defense Counsel, and the Utah Association for Justice, among others. As our firm approaches its 60th anniversary, we have a depth and breadth of experience. Attorneys focus on sophisticated legal methods and, along with staff, are committed to excellent professional service and handle matters with dignity and respect. UCIP has set up the Land Use Hotline, with attorney Bart Kunz, for members to receive up to two hours free legal advice on Land use matters.

Stirba & Associates, Lunch Sponsor

Stirba & Associates specializes in trial practice in federal court, state court, and at all administrative levels. Whether civil litigation, or complex criminal defense, Stirba has proven we obtain effective results for our clients. Stirba has developed a renowned appellate practice, arguing cases before the United States Supreme Court, United States Courts of Appeals, and various States' Appellate Courts. Stirba has a primary practice area in the representation of governmental entities in an array of matters including cases in civil rights, employment, zoning and land use, eminent domain, takings, and personal injury. A primary focus of the Firm has been on the defense of governmental entities in federal civil rights cases dealing with issues of qualified immunity and state constitutional issues involving the Governmental Immunity Act of Utah. The Firm also provides its governmental entity clients with guidance on compliance issues, ordinance drafting, and overall municipal planning.

Strong & Hanni, Break Sponsor

Since 1888, Strong & Hanni has provided comprehensive legal services for our diverse clientele ranging from individuals to large corporations. Regardless of the size of the matter, Strong & Hanni is a firm that maintains a philosophy of serving our client's best interests through highly specialized practice groups. The practice group approach allows our attorneys to focus and master specific areas of the law, while at the same time maintaining the high level of communication and service our clients have come to expect. Within this practice group structure our attorneys provide legal services in various areas of the law. UCIP has set up the **Personnel Hotline**, with attorney Kristin VanOrman, for Members to receive up to two hours free legal advice on personnel related matters.

Winder & Counsel, Break Sponsor

The law firm of Winder & Counsel, PC was formed in 1983. The firm is composed of experienced and highly respected attorneys who represent numerous and varied clients. The firm has successfully represented thousands of people in matters of local, national and international significance. These include litigation against tobacco companies, dangerous pharmaceuticals, injuries from all types of accidents, medical malpractice, wrongful death, the September 11th Class Action and other litigation.

Thank you for your continued support!

Suitter Axland, Lunch Sponsor

Since 1888, Strong & Hanni has provided comprehensive legal services for our diverse clientele ranging from individuals to large corporations. Regardless of the size of the matter, Strong & Hanni is a firm that maintains a philosophy of serving our client's best interests through highly specialized practice groups. The practice group approach allows our attorneys to focus and master specific areas of the law, while at the same time maintaining the high level of communication and service our clients have come to expect. Within this practice group structure our attorneys provide legal services in various areas of the law. UCIP has set up the **Personnel Hotline**, with attorney Kristin VanOrman, for Members to receive up to two hours free legal advice on personnel related matters.

